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May 30, 1995

Mr. Vernon A. Williams  
Secretary  
Interstate Commerce Commission  
Washington, D.C. 20423

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11303(a) are five (5) copies of a Railcar Lease Agreement, dated as of May 28, 1995, a primary document as defined in the Commission's Rules for the Recordation of Documents under 49 C.F.R. Section 1177.

The names and addresses of the parties to the enclosed document are:

Lessor: Burlington Northern Railroad Company  
3800 Continental Plaza  
777 Main Street  
Fort Worth, Texas 76102

Lessee: Southern Pacific Transportation Company  
1515 Arapahoe, Suite 1311  
Denver, Colorado 80202

A description of the railroad equipment covered by the enclosed document is set forth on Schedules A-1, A-2 and A-3 attached to the Lease.

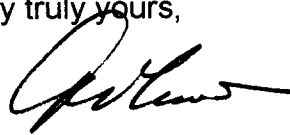
Continental - JWB

Mr. Vernon A. Williams  
May 30, 1995  
Page 2

Also enclosed is a check in the amount of \$21.00 payable to the order of the Interstate Commerce Commission covering the required recordation fee.

Kindly return one stamped copy of the enclosed document to the undersigned.

Very truly yours,

A handwritten signature in black ink, appearing to read 'R. Alvord', with a stylized flourish at the end.

Robert W. Alvord

RWA/bg  
Enclosures



Interstate Commerce Commission  
Washington, D.C. 20423-0001

5/30/95

Office Of The Secretary

Robert W. Alvord  
Alvord And Alvord  
918 Sixteenth Street, NW., Ste. 200  
Washington, DC. 20006-2973

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 5/30/95 at 12:05PM , and assigned recordation number(s). 19446

Sincerely yours,

Vernon A. Williams  
Secretary

Enclosure(s)

(0100639054)

\$ 21.00 The amount indicated at the left has been received in payment of a fee in connection with a document filed on the date shown. This receipt is issued for the amount paid and in no way indicates acknowledgment that the fee paid is correct. This is accepted subject to review of the document which has been assigned the transaction number corresponding to the one typed on this receipt. In the event of an error or any questions concerning this fee, you will receive a notification after the Commission has had an opportunity to examine your document.

Signature

19446  
MAY 0 1995 12 PM

Counterpart No. 6

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**RAILCAR LEASE AGREEMENT**

**Dated as of  
May 28, 1995**

**BURLINGTON NORTHERN RAILROAD COMPANY,  
as Lessor**

**and**

**SOUTHERN PACIFIC TRANSPORTATION COMPANY,  
as Lessee**

---

TO THE EXTENT, IF ANY, THAT THIS LEASE CONSTITUTES CHATTEL PAPER (AS SUCH TERM IS DEFINED IN THE UNIFORM COMMERCIAL CODE AS IN EFFECT IN ANY APPLICABLE JURISDICTION), NO SECURITY INTEREST IN THIS LEASE MAY BE CREATED THROUGH THE TRANSFER OR POSSESSION OF ANY COUNTERPART OTHER THAN THE ORIGINAL EXECUTED CHATTEL COUNTERPART, WHICH SHALL BE IDENTIFIED AS THE COUNTERPART NO. 1 IN THE SIGNATURE BLOCK OF LESSEE ON THE SIGNATURE PAGE THEREOF.

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Schedules:

Schedule A: List of Units  
Schedule B: Stipulated Loss Value

Exhibits:

Exhibit A: Form of Lease Supplement  
Exhibit B: Form of Certificate of Acceptance

Counterpart No. 6

To the extent, if any, that this Lease constitutes chattel paper (as such term is defined in the Uniform Commercial Code as in effect in any applicable jurisdiction), no security interest in this Lease may be created through the transfer or possession of any counterpart other than the original executed chattel counterpart, which shall be identified as the Counterpart No. 1 in the Signature Block of Lessee on the Signature Page thereof.

### RAILCAR LEASE AGREEMENT

This RAILCAR LEASE AGREEMENT, dated as of May 28, 1995 (the "Lease"), is entered into by and between BURLINGTON NORTHERN RAILROAD COMPANY, a Delaware corporation (together with its successors and assigns, the "Lessor"), and SOUTHERN PACIFIC TRANSPORTATION COMPANY, a Delaware corporation (together with its successors and permitted assigns, "Lessee").

### RECITALS

WHEREAS, Lessor is the owner of 1,050 units of railroad equipment as more particularly described in the Equipment Schedule attached hereto as Schedule A and in the Lease Supplements delivered hereunder (collectively, the "Equipment"); and

WHEREAS, in respect of the Equipment, Lessee and Lessor have entered into that certain lease of railcars set forth in that certain letter from Lessor to Lessee dated March 21, 1995 (incorrectly typed 1994) and agreed to by Lessee on March 22, 1995, as amended by that certain letter from Lessor to Lessee dated April 21, 1995 and agreed to by Lessee on April 22, 1995 (such initial letter as amended by such subsequent letter, the "Bridge Lease"); and

WHEREAS, Lessee and Lessor desire to amend and restate said Bridge Lease, on the terms and conditions set forth herein, and Lessee desires to lease the Equipment for the rental and upon the terms and conditions herein provided; and

WHEREAS, Lessee has previously accepted the Equipment described on Schedule A hereto under the Bridge Lease and, in accordance with the provisions of the Bridge Lease, as amended and restated herein, such acceptance shall be deemed acceptance hereunder for all purposes hereof and in accordance with the provisions hereof; and

WHEREAS, all of the units of Equipment have been determined by Lessee to be of the size, age, design, capacity, prior use, and manufacture selected by Lessee.

NOW, THEREFORE, Lessor and Lessee hereby agree as follows:

**SECTION 1. DEFINITIONS.**

(a) As used in this Lease, the following terms shall have the following meanings (such definitions to be equally applicable to both the singular and plural forms of the terms defined):

"AAR" shall mean the Association of American Railroads or any successor organization or agency having similar responsibilities.

"After-Tax Basis" shall mean, in respect of any amount required to be indemnified against, that such amount shall be increased to equal an amount which after deduction of all taxes imposed by any and all jurisdictions that are required to be paid by the recipient in respect of the receipt or accrual of such amount (net of any deduction, credit or other tax benefit realized by the recipient in the same taxable year and attributable to the indemnified tax, cost or expense, which the recipient shall be deemed to utilize after all other available tax benefits) is equal to the amount required to be indemnified against, calculated using the assumption that the recipient is fully taxable for federal, state and local income tax purposes at the maximum rate of federal income taxation applicable to corporations, and at the maximum composite rate of state and local income taxation applicable to such recipient, at the time such amount is received or properly accrued.

"Base Term Commencement Date" shall mean the first calendar day of the month following the month in which the last Commencement Date shall occur under this Lease.

"Bridge Lease" as defined in the recitals hereto.

"Business Day" shall mean a day other than a Saturday, Sunday or legal holiday under the laws of the State of California or the State of Texas.

"Code" shall mean the Internal Revenue Code of 1986, as amended, or any comparable successor law.

"Commencement Date" means (i) as to each Unit accepted under the Bridge Lease, the date set forth in the introductory paragraph hereto, and (ii) as to each other Unit leased



hereunder, the date of delivery of such Unit to and acceptance of such Unit by Lessee in accordance with Subsection 3(a) hereof.

"Commodity" shall mean western coal and/or taconite.

"Daily Rate" shall mean an amount equal to \$11.07 per calendar day.

"Default" shall mean any event or condition which after the giving of notice or lapse of time or both would become an Event of Default.

"Equipment" as defined in the recitals hereto.

"ERISA" shall mean the Employment Retirement Income Security Act of 1974, as amended.

"Event of Default" as defined in Section 18 hereof.

"Event of Loss" with respect to any Unit means any of the following events: (i) a Unit shall be or become lost, stolen, destroyed, or irreparably damaged or permanently rendered unfit for use in interstate rail transportation, from any cause whatsoever during the Term hereof or until such Unit is returned in accordance with the provisions of this Lease, or during any storage period, or (ii) title to or use of such Unit shall be taken by any governmental authority, or (iii) at Lessor's option, as a result of any rule, regulation, order or other action by the AAR, the FRA or any government or any agency or instrumentality thereof, the use of such Unit in the normal course of interstate rail transportation and unrestricted interchange shall have been prohibited for a continuous period of 180 days.

"FRA" shall mean the Federal Railroad Administration or any successor agency having similar jurisdiction or responsibilities.

"Group A Units" shall mean the group of 360 Units designated as such on Schedule A-1 hereto and any Unit substituted therefor by Lessee under Subsection 4(b) hereof.

"Group B Units" shall mean the group of 360 Units designated as such on Schedule A-2 hereto and any Unit substituted therefor by Lessee under Subsection 4(b) hereof.

"Group C Units" shall mean a group of 330 Units designated as such on Schedule A-3 hereto and in the Lease Supplements, less any Unit in such group which has been substituted by Lessee for any Group A Units or Group B Units, as provided in Subsection 4(b) hereof, or any Unit in such group which has become subject to an Event of Loss hereunder.

"ICC" shall mean the Interstate Commerce Commission or any successor agency having similar jurisdiction or responsibilities.

"Late Charge Rate" shall mean an interest rate per annum equal to the rate designated as the prime rate, or if no rate is designated as prime, the reference rate, as announced from time to time by Citibank, N.A. (or such other bank designated by Lessor if Citibank, N.A. shall no longer announce a prime or reference rate), plus 2.0% or, to the extent such stated rate exceeds the highest rate permitted by applicable law, such highest rate as is permitted by applicable law.

"Lease" and the terms "hereof," "herein," "hereto" and "hereunder," when used in this Railcar Lease Agreement, shall mean and include this Railcar Lease Agreement and each supplement and amendment hereto, as the same may from time to time be amended, modified or supplemented.

"Lease Agreements" shall mean this Lease (together with all Lease Supplements delivered hereunder), the Tax Indemnity Agreement, the Maintenance Agreement, and all other documents, agreements, instruments or certificates entered into or delivered in connection with the transactions contemplated hereunder or thereunder.

"Lease Supplement" shall mean a supplement to this Lease in the form of Exhibit A attached hereto pursuant to which any Unit not identified on Schedule A is, in accordance with the provisions of Section 3 hereof, delivered and accepted hereunder and becomes subject to this Lease.

"Lease Term" or "Term" shall mean, with respect to any Unit, the term of the lease of such Unit hereunder as specified in Section 4 hereof.

"Lessee" as defined in the introductory paragraph to this Lease.

"Lessor" as defined in the introductory paragraph to this Lease.

"Lessor's Lien" shall mean any mortgage, pledge, lien, security interest, charge, encumbrance, financing statement, title retention or any other right or claim of any person created by, or claiming through or under, Lessor including, without limitation, the Mortgage Liens.

"Lien" shall mean any mortgage, pledge, lien, security interest, charge, encumbrance, financing statement, title retention or any other right or claim of any person, other than any Lessor's Lien.

"Loss Payment Date" shall, for purposes of Subsection 15(b) hereof and otherwise, mean as to any Event of Loss the next succeeding Rent Payment Date (as to any Unit then subject to this Lease) that is at least thirty (30) days after Lessee provides notice under Subsection 15(b) of such Event of Loss giving rise to a payment of Stipulated Loss Value; provided, however, that if there is no remaining scheduled Rent Payment Date (as to any Unit then subject to this Lease) that is at least 30 days after Lessee provides such notice of such Event of Loss, the Loss Payment Date shall be the first Business Day that is at least 30 days after Lessee provides such notice of such Event of Loss giving rise to a payment of a Stipulated Loss Value.

"Maintenance Agreement" shall mean that certain Maintenance Agreement dated December 16, 1992, as to the Units pursuant to Rider 1-5, amended December 2, 1994, pursuant to which Transcisco Leasing Company shall maintain the Units on behalf of Lessee, and any replacement maintenance agreement entered into by Lessee as provided in Subsection 12(d) hereof.

"Mortgage Liens" shall mean the mortgage liens existing on the date hereof in favor of one or more financial institutions as trustees for the benefit of the holders of existing publicly-traded indebtedness of, or assumed by, Lessor which encumber the Units.

"Permitted Liens" shall mean (a) the respective rights and interests of each of Lessee and Lessor as specifically provided in this Lease, (b) Liens for taxes, levies, imposts, duties, license, permit or inspection fees or other governmental charges of any kind either not yet due or being contested in good faith and by appropriate proceedings that suspend the collection thereof and for the payment of which Lessee shall have provided adequate reserves on its books, so long as such proceedings shall not involve any material danger of the sale, forfeiture or loss of the Units, or any part thereof, title thereto or any interest therein and shall not interfere with the use of the Units, or the payment of rent, (c) construction, materialmen's, mechanics', workers', suppliers', repairmen's, employees' or other like Liens arising in the ordinary course of business for amounts either not yet due or being contested in good faith and by appropriate proceedings, so long as such proceedings shall not involve any material danger of the sale, forfeiture or loss of the Units or any part thereof, title thereto or any interest therein and shall not interfere with the use of the Units or the payment of rent, (d) Liens arising out of judgments or awards with respect to which a stay of execution has been obtained pending appeal or proceeding for review and the payment of which Lessee shall have adequately bonded to discharge such Lien, and (e) Liens arising out of the maintenance of court actions being defended in good

faith by appropriate and timely proceedings that are being diligently pursued (and as to which adequate reserves have been provided and maintained).

"Rent Payment Date" shall mean each date on which an installment of rent is due and payable pursuant to Section 5 hereof.

"Stipulated Loss Value" shall mean, with respect to any Unit, the amount set forth on Schedule B attached hereto opposite the applicable Rent Payment Date (provided, that for purposes of Subsections 7(c), 15(b), 19(c) and 19(d) hereof, any determination of Stipulated Loss Value as of a date occurring after the final Rent Payment Date with respect to such Unit shall be as of such final Rent Payment Date).

"Tax Counsel" shall mean independent tax counsel selected by Lessor and approved by Lessee (which approval shall not unreasonably be withheld or delayed).

"Tax Indemnity Agreement" shall mean the Tax Indemnity Agreement of even date herewith between TransAccess and Lessee.

"TransAccess" shall mean TransAccess, L.P., a California limited partnership, of which Access Rail Corporation, a California corporation, is the initial general partner and Transcisco Leasing Company, a Delaware corporation, is the initial limited partner.

"Unit" shall mean any one of the Units.

"Unit Group" shall mean, as the context may require, the Group A Units, the Group B Units or the Group C Units.

"Unit Group Termination Date" shall mean the calendar day preceding the first Rent Payment Date which occurs not earlier than (i) with respect to the Group A Units, seventy-eight (78) months from the Base Term Commencement Date, (ii) with respect to the Group B Units, ninety (90) months from the Base Term Commencement Date, or (iii) with respect to the Group C Units, one hundred and two (102) months from the Base Term Commencement Date.

"Units" shall mean those units of Equipment leased to Lessee hereunder and which are described on Schedule A hereto or any Lease Supplement executed by the parties from time to time, together with all attachments, additions, accessories, appliances, replacement parts, substitutions and repairs attached thereto or incorporated therein.

(b) All accounting terms not specifically defined herein shall be construed in accordance with generally accepted accounting principles.

**SECTION 2. LEASE OF UNITS.** Effective as of the date hereof, this Lease hereby amends and restates the Bridge Lease on the terms and conditions set forth herein. Upon delivery of each Unit by Lessor to Lessee hereunder in accordance with Subsection 3(a), Lessee agrees to lease from Lessor and Lessor agrees to lease to Lessee such Units, subject to Lessor's Liens, and for the rental and on and subject to the terms herein set forth.

**SECTION 3. DELIVERY AND ACCEPTANCE.**

(a) Lessee hereby acknowledges and agrees that each of the Units previously accepted by Lessee under the Bridge Lease are, without any further act, deemed to be accepted under this Lease for all purposes hereunder. The remaining Units will be delivered by Lessor to Lessee from time to time in groups of not less than 100 Units per group at Pueblo, Colorado. Lessor shall provide not less than forty-eight (48) hours prior written notice of each such delivery of Units to Lessee. Lessor shall have no liability or obligation to Lessee for any delay in delivery. Each of the remaining Units shall be subject to an inspection by Lessee upon delivery. The condition of each Unit will be evidenced by completion by the Lessee of an inspection and acceptance certificate in the form of Exhibit B attached hereto (the "Acceptance Certificate"). Lessee agrees to accept each such Unit on such delivery date or to immediately notify Lessor of the nature and extent of any material defect that causes any Unit to be reasonably deemed by the Lessee as unfit for use by Lessee, provided that Lessee shall accept all such Units delivered by Lessor on such date as to which Lessee has not identified any such material defect. Execution by Lessee of an Acceptance Certificate showing a Unit to be free of material defects shall constitute acceptance thereof by Lessee. If no such Acceptance Certificate shall have been so executed, then the loading of any Unit so delivered, or the placing of such Unit into interchange service by the Lessee or at its direction, or the failure by Lessee to report any material defect in a Unit within five (5) days of delivery, shall be deemed to constitute acceptance thereof by Lessee as of the date of delivery. If Lessee is unable to accept delivery of a Unit or to inspect such Unit for whatever reason, any storage or other charges incurred in connection with such Unit shall be for the Lessee's account. After acceptance by Lessee hereunder Lessee shall, at Lessee's sole expense, cause such equipment to have the Lessor's user marks removed and replaced with "CTRN" user marks.

(b) Units delivered by Lessor and accepted by Lessee in accordance with Subsection 3(a) that are not described on Schedule A shall become subject to this Lease upon delivery to and acceptance by Lessee of such Unit as provided in Subsection 3(a), and Lessee and Lessor shall enter into a Lease Supplement in connection with such Units at such time as they are accepted hereunder.

#### SECTION 4. TERM; EARLY TERMINATION.

(a) Term. The term of the lease of each Unit hereunder shall commence on the date of delivery of such Unit to and acceptance of such Unit by Lessee and, unless earlier terminated as to such Unit pursuant to the provisions hereof, shall terminate ten (10) years following the Base Term Commencement Date.

(b) Early Termination. Provided that no Default or Event of Default shall have occurred and be continuing at the time Lessee provides notice of exercise of a termination election under this Subsection 4(b) or at the time when such termination would become effective, Lessee may elect to terminate the Lease Term as to a Unit Group in accordance with the provisions of this Subsection 4(b). Irrevocable notice of early termination pursuant to this Subsection 4(b) shall be given by Lessee to Lessor in the manner specified in Section 25 hereof at least 180 days prior to the Unit Group Termination Date for such Unit Group and shall specify (i) the Unit Group, and (ii) that it is a notice made pursuant to Subsection 4(b) hereof. Upon the timely giving of any such notice, the Lease Term with respect to such Unit Group shall terminate as to such Unit Group on the Unit Group Termination Date for such Unit Group; provided, that no such termination shall release Lessee from its obligations under Section 7 hereof as to such Units. Anything in this Subsection 4(b) to the contrary notwithstanding, no election under this Subsection 4(b) shall be effective as to any Unit in the Group A Units or the Group B Units which at the time Lessee provides notice of its exercise of a termination election under this Subsection 4(b) or at the time when such termination is to become effective, is subject to an Event of Loss (or an event or circumstance which with the passage of time or giving of notice, or both, would become an Event of Loss) and, as to any such Unit, Lessee shall substitute therefor another Unit from the Group C Units that is subject to this Lease such that an early termination under this Subsection 4(b) with respect of the Group A Units or the Group B Units shall be with respect to 360 Units. Lessee shall have no right to terminate early the Lease Term of any Unit other than pursuant to, and in accordance with the provisions of, this Subsection 4(b).

**SECTION 5. RENT; UNCONDITIONAL OBLIGATIONS.**

(a) Lessee shall pay to Lessor rent for each Unit in an amount per calendar month equal to \$332.16 per Unit, payable monthly in advance, and due and payable on the first calendar day of such month; provided, that the first monthly installment of rent with respect to a Unit shall, notwithstanding any rent paid by Lessee under the Bridge Lease for such Unit, be due and payable on the Commencement Date for such Unit; provided, further, that, with respect to each Unit accepted by Lessee under the Bridge Lease, on the Commencement Date for such Unit, Lessee shall, provided that Lessee shall have paid all rent due under the Bridge Lease in respect of such Unit, be entitled to a credit (for the Bridge Lease rent paid for such Unit for the month in which such Commencement Date occurs) against the first monthly installment of rent due hereunder on the Commencement Date for such Unit in an amount equal to \$8.33 per day for such Unit beginning with such Commencement Date to and including the last day of such month. In the event that the Commencement Date does not occur on the first calendar day of the month in which such Commencement Date occurs, the installment of rent for such month shall be determined by multiplying the actual number of days in such month (beginning with such Commencement Date to and including the last day of such month) by the Daily Rate. In the event that the Term of this Lease with respect to any Unit ends on a day other than the last day of the month, the final installment of rent for such month shall be determined by multiplying the actual number of days in such month (beginning with the first day of such month to and including the day upon which such Term expires) by the Daily Rate. Unless otherwise agreed with respect to any payment, all rent and other payments made hereunder shall be paid in immediately available funds by wire transfer to the account designated by Lessor by not later than 10:00 a.m. (Pacific Standard Time) on the date due. If any Rent Payment Date referred to above is not a Business Day, the installment of rent otherwise payable on such date shall be payable on the next preceding Business Day.

(b) Lessee shall also pay to Lessor, on demand, interest at the Late Charge Rate on any installment of rent and on any other amount owing hereunder which is not paid when due, for any period for which the same shall be overdue. Each payment made under this Lease shall be applied first to the payment of interest then owing and then to rent or other amounts owing hereunder. Interest shall be computed on the basis of a 365-day year and actual days elapsed.

(c) THIS LEASE IS A NET LEASE, AND LESSEE ACKNOWLEDGES AND AGREES THAT LESSEE'S OBLIGATION TO PAY ALL RENT HEREUNDER, AND

THE RIGHTS OF LESSOR IN AND TO SUCH RENT, SHALL BE ABSOLUTE AND UNCONDITIONAL AND SHALL NOT BE SUBJECT TO ANY ABATEMENT, REDUCTION, SETOFF, DEFENSE, DISCLAIMER, COUNTERCLAIM OR RECOUPMENT ("ABATEMENTS") FOR ANY REASON WHATSOEVER, INCLUDING, WITHOUT LIMITATION, ABATEMENTS DUE TO ANY PRESENT OR FUTURE CLAIMS OF LESSEE AGAINST LESSOR UNDER THIS LEASE OR OTHERWISE, AGAINST ANY MANUFACTURER OR VENDOR, OR AGAINST ANY OTHER PERSON FOR WHATEVER REASON, INCLUDING, WITHOUT LIMITATION: (i) any default, misrepresentation, negligence, gross negligence, misconduct, willful misconduct or other action or inaction of any kind by Lessor, any manufacturer or seller of any part of any Units, Lessee, or any other person whether under or in connection with this Lease, or any other agreement relating to this Lease or in connection with any unrelated transaction (including, without limitation, the failure of Lessor to otherwise perform in accordance with this Lease or any other document related hereto); (ii) the insolvency, bankruptcy, reorganization or cessation of existence or discharge or forgiveness of indebtedness of, any entity or person referred to in clause (i) above or any other person, including, without limitation, the disaffirmance or rejection of this Lease including any rejection pursuant to Section 365(a) of the United States Bankruptcy Code (or any successor thereto); (iii) the invalidity, unenforceability, impossibility or illegality of performance of this Lease or any other agreement referred to in clause (i) above for any reason; (iv) any defect in the condition, design, operation or fitness for use of, or any lien, claim, encumbrance or other charge or other restriction of any kind upon, all or any part of any Units, any loss or destruction of, or damage to, any Unit, or any interruption in or cessation of the possession, operation or use of any thereof for any reason; (v) any restriction, prevention or curtailment of or interference with any Units or the use thereof or any part thereof for any reason whatsoever, including, without limitation, by any governmental body; (vi) any applicable law now or hereafter in force; (vii) any amendment or other change of, or any assignment of any rights under, this Lease or any other document related hereto, or any waiver or other action or inaction under or in respect of this Lease or any other document related hereto, or any exercise or non-exercise of any right or remedy under or in respect of this Lease or any other document related hereto, including, without limitation, the exercise of any remedy under this Lease or the sale of any Unit or any portion thereof or interest therein; or (viii) any other cause or circumstance foreseen or unforeseen, whether similar or dissimilar to any of the foregoing, any present or future law notwithstanding. The parties hereto intend that all rent payable by Lessee hereunder shall continue to be payable in all events in the manner and at the times provided herein. Lessee waives, to the extent permitted by applicable law, any and all rights that it may now have or that at any time hereafter may be conferred upon it, by statute or otherwise, to terminate, cancel, quit or



surrender this Lease except in accordance with the express terms hereof. If for any reason this Lease is terminated in whole or in part by operation of law or otherwise except as specifically provided herein, Lessee nonetheless agrees to pay to Lessor an amount equal to each rent payment at the time such payment would have become due and payable in accordance with the terms hereof had this Lease not been terminated in whole or in part. Each rent payment made pursuant to this Lease by Lessee shall be final and Lessee will not seek to recover all or any part of such payment from Lessor for any reason. Nothing in this Section 5 shall be construed to preclude Lessee from bringing any suit at law or in equity which it would otherwise be entitled to bring for breach of any representation, warranty, covenant, or duty hereunder.

#### **SECTION 6. DISCLAIMER; ASSIGNMENT OF WARRANTIES.**

(a) LESSOR HEREBY LEASES THE UNITS, AS-IS, WHERE IS, IN WHATEVER CONDITION THEY MAY BE, AND LESSOR NEITHER MAKES NOR SHALL BE DEEMED TO HAVE MADE, AND LESSEE HEREBY EXPRESSLY WAIVES, ANY WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE UNITS, INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OR REPRESENTATION AS TO (A) THE DESIGN, QUALITY OR CONDITION OF THE UNITS OR ANY WARRANTY OF MERCHANTABILITY OR FITNESS OF THE UNITS FOR ANY PARTICULAR PURPOSE (B) ANY PATENT, TRADEMARK OR COPYRIGHT OWNERSHIP OR INFRINGEMENT (C) LESSOR'S TITLE THERETO (EXCEPT AS EXPRESSLY SET FORTH IN SUBSECTION 9(b)(iii) HEREOF), OR (D) ANY OTHER MATTER WHATSOEVER; IT BEING AGREED THAT ALL SUCH RISKS, AS BETWEEN LESSOR AND LESSEE, ARE TO BE BORNE BY LESSEE.

LESSEE CONFIRMS THAT IT HAS SELECTED THE UNITS AND EACH PART THEREOF ON THE BASIS OF ITS OWN JUDGMENT AND EXPRESSLY DISCLAIMS RELIANCE UPON ANY STATEMENTS, REPRESENTATIONS OR WARRANTIES MADE BY LESSOR, AND LESSEE ACKNOWLEDGES THAT LESSOR IS NOT A MERCHANT WITH RESPECT TO THE UNITS OR A MANUFACTURER OF ANY PART OF THE UNITS.

LESSOR DOES NOT MAKE NOR SHALL IT BE DEEMED TO HAVE MADE ANY REPRESENTATION OR WARRANTY AS TO THE ACCOUNTING TREATMENT TO BE ACCORDED BY LESSEE TO THE TRANSACTIONS CONTEMPLATED BY THIS LEASE OR AS TO ANY TAX CONSEQUENCES AND/OR TAX TREATMENT THEREOF.

(b) Lessor hereby appoints and constitutes Lessee its agent and attorney-in-fact during the term of this Lease to assert and enforce, from time to time, in the name and for the account of Lessor and Lessee, as their interests may appear, but in all cases at the sole cost and expense of Lessee, whatever claims and rights Lessor may have as owner of the Units against the original manufacturer or rebuilder of the Units; provided, however, that if at any time a Default or an Event of Default shall have

occurred and be continuing, Lessor may assert and enforce, at Lessee's sole cost and expense, such claims and rights and provided, further, that Lessor has, at any time, the right, but not the obligation, to proceed on its own behalf against the manufacturer or rebuilder of the Units. Lessor shall not have any responsibility or liability to Lessee or any other person with respect to any of the following: (i) any liability, loss or damage caused or alleged to be caused directly or indirectly by any Unit or part thereof or by any inadequacy thereof or deficiency or defect therein or by any other circumstances in connection therewith; (ii) the use, operation or performance of any Unit or part thereof or any risks relating thereto; (iii) any interruption of service, loss of business or anticipated profits or consequential damages or (iv) the delivery, operation, servicing, maintenance, repair, improvement or replacement of any Unit or part thereof. Lessee's delivery of an Acceptance Certificate or deemed acceptance of any Unit as provided in Subsection 3(a) hereof shall be conclusive evidence as between Lessee and Lessor that all Units described therein or deemed accepted under said Subsection 3(a) are in all the foregoing respects satisfactory to Lessee, and Lessee will not assert any claim of any nature whatsoever against Lessor based on any of the foregoing matters.

#### SECTION 7. RETURN; STORAGE.

(a) Upon the expiration of the Lease Term or any earlier termination thereof as to a Unit Group under Subsection 4(b) and subject to Lessor's rights under Subsection 7(b) hereof, Lessee shall, at Lessee's expense and risk, return the Units (or, in the case of an early termination under Subsection 4(b) with respect to a Unit Group, such Unit Group) to Lessor at such locations on the rail lines of Lessee or any entity owned or controlled by Lessee as Lessor may reasonably designate in writing to Lessee not less than 45 days prior to such expiration or early termination date; provided, that prior to any return of Units under this Subsection 7(a) or placement of Units in storage under Subsection 7(b), Lessor or its agent shall have the right to inspect such Units and Lessee shall cause any deviation from the return conditions, as specified in this Subsection 7(a), to be remedied at the sole expense of Lessee prior to expiration of the Lease Term with respect to such Units. Until all Units are returned to Lessor pursuant to the provisions of this Section 7(a) (including with respect to condition and repair), all of the provisions of this Lease with respect to such Units shall continue in full force and effect. Lessee shall pay all costs and expenses in connection with or incidental to the return of the Units, including, without limitation, the cost of assembling, insuring and transporting the Units and the costs of removing the "CTRN" marks (and any such other markings identified

by Lessor). At the time of such return, the Units shall be:  
 (i) in the condition and repair required to be maintained by Section 12 hereof, (ii) free of the "CTRN" user marks (and any other markings or stenciled language as specified by Lessor), (iii) free of all excessive accumulations or residues, and (iv) free and clear of all Liens.

(b) On or before the expiration of the Lease Term or any earlier termination thereof as to a Unit Group under Subsection 4(b) and subject to Lessor's rights under Subsection 7(a) hereof, Lessee shall cause the Units (or, in the case of an early termination under Subsection 4(b)) with respect to a Unit Group, such Unit Group), to be moved at Lessee's own expense and risk, onto storage facilities in such locations as to which Lessor shall reasonably designate and specify in writing. If Lessor does not specify such locations, Lessee will inform Lessor of the location at which it intends to store such Units at least thirty (30) days prior to moving such Units to storage. Lessee shall provide or arrange for storage of Units, at no cost to Lessor, for a period ending 60 days after the later to occur of the (i) end of the Lease Term as to the Units (or as to a Unit Group if early termination with respect to such Unit Group occurs under Subsection 4(b)) and (ii) return or placement in storage of the Units upon the expiration of the Lease Term (or such Unit Group if early termination with respect to such Unit Group occurs under Subsection 4(b)), in full compliance with the provisions hereof, and shall transport the same one time within such period to any reasonable place on any railroad lines operated by Lessee or to any connecting carrier for shipment, all as directed by Lessor upon not less than 30 days' written notice to Lessee. At the request of Lessor, Lessee shall provide an additional 30 days' storage for which Lessor will pay a storage fee at the then prevailing market rate. During any such storage period Lessee will permit Lessor or any person designated by it, including the authorized representative or representatives of any prospective purchaser of any Units, upon prior notice to Lessee to inspect the same; provided, however, that Lessee shall not be liable, except in the case of gross negligence of Lessee or of its employees or agents, for any injury to, or the death of, any person exercising, either on behalf of Lessor or any prospective purchaser, the rights of inspection granted under this sentence.

(c) The assembling, delivery, return, storage and transporting of the Units as provided in Subsections 7(a) and (b) hereof are of the essence of this Lease, and upon application to any court having jurisdiction in the premises, Lessor shall be entitled to a decree against Lessee requiring specific performance of the covenants of Lessee so to cause the assembling, delivery, return, storage and transporting of the Units. If any Unit suffers an Event of Loss during any storage period provided for in this Section 7, Lessee shall pay to Lessor

the Stipulated Loss Value of such Unit as determined in accordance with this Lease. Lessee shall pay rent (payable monthly in arrears), at 150% of the rate provided in Subsection 5(a) herein for Units not returned to Lessor in full compliance with the provisions hereof or not placed in storage in accordance with the terms hereof (including, without limitation, the requirement of a minimum number of Units to be returned and/or placed in storage) commencing upon the expiration or termination of the Lease Term for such Units until the return or placement in storage in accordance with all such terms. Once any Unit Group is placed in storage in accordance with the terms hereof, rent shall cease to accrue with respect to such Unit Group. Nothing contemplated by this Section 7, including payment of the above-specified amounts, shall be deemed to relieve Lessee from its obligations to Lessor to deliver and store the Units or affect Lessor's rights and remedies with respect to such obligation.

**SECTION 8. PURCHASE OPTION.** Provided that no Default or Event of Default shall have occurred and be continuing at the time Lessee provides notice of exercise of its purchase election under this Section 8 or when such purchase election would become effective, and provided further that Lessee shall not have made any early termination election under Subsection 4(b) hereof with respect to any Unit, Lessee may elect to purchase the Units in accordance with the provisions of this Section 8. Irrevocable notice of Lessee's election to purchase all, but not less than all, of the Units under this Section 8 shall be given by Lessee to Lessor in the manner specified in Section 25 hereof at least 180 days prior to the expiration of the Lease Term, and shall specify that it is a notice made pursuant to this Section 8. The purchase price for the Units shall be \$2500 per Unit. Upon payment by Lessee of such purchase price, and of all other amounts then due and payable by Lessee hereunder, Lessor shall on the expiration of the Lease Term in connection with the Units, transfer title to such Units to Lessee on an "as-is, where-is" basis, without recourse and without representation or warranty of any kind, express or implied, other than a representation and warranty that such Units shall be transferred to Lessee free and clear of any Lessor's Liens, as evidenced by a bill of sale from Lessor to such effect.

**SECTION 9. REPRESENTATIONS AND WARRANTIES.**

(a) Lessee represents and warrants, as of the date hereof and as of each Commencement Date, to, and covenants with, Lessor that:

(i) Organization. Lessee is a corporation duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation, is duly licensed or qualified and is in good standing as a foreign corporation wherever necessary to carry on its present business and operations and to own or lease its properties and has the corporate power and authority and all necessary licenses and permits to carry on its present business and operations (including engaging in rail transportation and carrying on its business as presently conducted), to own or lease its properties and to enter into and perform its obligations under this Lease.

(ii) Authority; Enforceability. The Lease Agreements have been duly authorized, executed and delivered (or, in the case of any Lease Supplement, on the dates of delivery thereof will have been duly authorized, executed and delivered) by Lessee and constitute (or, in the case of any Lease Supplement, on the date of delivery thereof will constitute) legal, valid and binding obligations of Lessee enforceable against Lessee in accordance with their respective terms, subject to bankruptcy, insolvency, reorganization, fraudulent conveyance, moratorium, or similar laws affecting creditors' rights generally and subject to general principles of equity.

(iii) No Conflicts. The execution and delivery of the Lease Agreements and compliance by Lessee with all of the provisions thereof do not require any shareholder approval and do not and will not contravene any law, rule, regulation, judgment or decree applicable to or binding on Lessee or require any consent of a third party or contravene the provisions of, or constitute a default under, or result in the creation of any Lien on the property of Lessee under, its corporate charter or bylaws or any indenture, mortgage, contract or other agreement or instrument to which Lessee is a party or by which it or any of its property may be bound or affected.

(iv) No Defaults. No Default or Event of Default exists under this Lease which is presently continuing. Lessee is not in default, and no event or condition exists which after the giving of notice or lapse of time or both would constitute an event of default, under any mortgage, indenture, contract, agreement, judgment or other undertaking to which Lessee is a party or upon any of the assets of Lessee, except for any such default, event or condition which, individually or in the aggregate, would not materially adversely affect Lessee's financial condition, business or operations or adversely affect Lessee's ability to perform its obligations under this Lease.

(v) No Litigation. There are no proceedings pending or, to the knowledge of Lessee, threatened, and to the knowledge of Lessee there is no existing basis for any such proceedings,

against or affecting Lessee or any subsidiary thereof by or before any court, arbitrator, administrative agency or other governmental authority which, if adversely determined, might adversely affect the Units or which individually or in the aggregate might be reasonably expected to materially adversely affect the properties, business, prospects, profits or condition of Lessee or adversely affect Lessee's ability to perform its obligations under the Lease Agreements. Neither Lessee nor any of its subsidiaries is in default with respect to any order of any court, arbitrator, administrative agency or other governmental authority, the violation of which individually or in the aggregate might be reasonably expected to materially adversely affect the properties, business, prospects, profits or condition of Lessee or adversely affect Lessee's ability to perform its obligations under the Lease Agreements.

(vi) Government Approvals. Neither the execution and delivery by Lessee of the Lease Agreements, nor the performance by Lessee of its obligations thereunder require the consent, approval or authorization of, the giving of notice to, or the filing, registration, qualification or taking of any other action with, any Federal, state, or foreign government authority or agency (including, without limitation, the ICC or the FRA).

(vii) Chief Executive Office; Name Change. Lessee's chief executive office (as such term is used in Article 9 of the Uniform Commercial Code) is located at Southern Pacific Building, One Market Plaza, San Francisco, California 94105, and Lessee hereby agrees to notify Lessor in writing of any change in such location within 30 days of such change. Lessee has not changed its name in the last five (5) years.

(viii) Financial Statements. The consolidated balance sheets of Lessee and its consolidated subsidiaries as of December 31 in each of the years 1994 and 1993 and as of March 31 in the year 1995, and the related statements of earnings and cash flows for each of the periods then ended, have been prepared in accordance with GAAP, and fairly present the financial condition of Lessee as of such dates and the results of operations for the fiscal periods then ended. Since March 31, 1995, there has been no material adverse change in respect of the financial condition of Lessee.

(ix) Insurance. The Units are, or immediately upon acceptance by Lessee hereunder will be, covered by the insurance required by Section 11 hereof and all premiums due in respect of such insurance have been paid.

(x) Tax Returns. Lessee and its subsidiaries have filed or caused to be filed all Federal, state, local and foreign tax returns required to be filed and have paid or caused to be paid

all taxes shown to be due and payable on such returns or any assessment received by Lessee or any of its subsidiaries, to the extent such taxes are due and payable (except to the extent (i) such taxes are being contested in good faith, or (ii) such failure to file tax returns or pay taxes would not have any material adverse effect on the properties, business, prospects, profits, or condition of Lessee).

(xi) ERISA. Lessee and each person that is a member of the same controlled group of corporations as, or is under common control with, Lessee (within the meaning of Section 414(b) and (c) of the Code) have fulfilled their obligations under the minimum funding standards of ERISA and are in compliance in all material respects with the presently applicable provisions of ERISA. Lessee is not entering into this Lease or any transaction contemplated hereby, directly or indirectly, in connection with any arrangement or understanding by it in any way involving the assets of any employee benefit plan (or its related trust) as defined in Section 3(3) of ERISA or of any plan (or its related trust) as defined in Section 4975(e)(1) of the Code).

(xii) Investment Company. Lessee is not an "investment company" or a company "controlled" by an "investment company," within the meaning of the Investment Company Act of 1940, as amended.

(xiii) Common Carrier; Railroad. Lessee is a "common carrier" as such term is used in Section 3(a)(6) of the Securities Act of 1933, as amended, and a "railroad" as defined in Section 101 of the Bankruptcy Code.

(xiv) CTRN Marks. Lessee has, and during the Term hereof will have, the unrestricted right to use the "CTRN" marks.

(xv) Full Disclosure. The representations and warranties of Lessee contained in this Section 9, and in any certificate or other document delivered by Lessee to Lessor in connection herewith or the transactions contemplated hereunder, neither contain any untrue statement of a material fact nor omit to state a material fact necessary to make the statements contained therein, in light of the circumstances under which they were made, not misleading.

(xvi) No Other Agreements. The Lessee has not entered into, and is not a party to, any other agreements, contracts, undertaking or understanding whatsoever with respect to the Units which are subject to this Lease except for the Maintenance Agreement and agreements in respect to the transportation of Commodity.

(b) Lessor represents and warrants, as of the date hereof and as of each Commencement Date, to, and covenants with, Lessee that:

(i) Organization. Lessor is a corporation duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation, is duly licensed or qualified and is in good standing as a foreign corporation wherever necessary to carry on its present business and operations and to own or lease its properties and has the corporate power and authority and all necessary licenses and permits to carry on its present business and operations (including engaging in rail transportation and carrying on its business as presently conducted), to own or lease its properties and to enter into and perform its obligations under the Lease Agreements to which it is a party.

(ii) Authority; Enforceability. The Lease Agreements to which Lessor is a party have been duly authorized, executed and delivered by Lessor and constitute legal, valid and binding obligations of Lessor enforceable against Lessor in accordance with their respective terms, subject to bankruptcy, insolvency, reorganization, fraudulent conveyance, moratorium, or similar laws affecting creditors' rights generally and subject to general principles of equity.

(iii) Title to Units. Lessor has good title to the Units subject only to (i) Mortgage Liens, (ii) the respective rights and interests of each of Lessee and Lessor as specifically provided in this Lease, (iii) liens for taxes, levies, imposts, duties, license, permit or inspection fees or other governmental charges of any kind either not yet due or being contested in good faith and by appropriate proceedings that suspend the collection thereof, (iv) construction, materialmen's, mechanics', workers', suppliers', repairmen's, employees' or other like liens arising in the ordinary course of business for amounts either not yet due or being contested in good faith and by appropriate proceedings, (v) liens arising out of judgments or awards with respect to which a stay of execution has been obtained pending appeal or proceeding for review, and (vi) liens arising out of the maintenance of court actions being defended in good faith by appropriate and timely proceedings that are being diligently pursued.

**SECTION 10. LIENS.** Lessee will not directly or indirectly create, incur, assume or suffer to exist any Lien on or with respect to the Units other than any Permitted Lien. Lessee's obligations under this Section 10 shall survive the expiration or earlier termination of this Lease.



**SECTION 11. INSURANCE.** Lessee will at all times during the Term of this Lease with respect to any Unit and during any return and storage period hereunder, at its own cost and expense, carry and maintain all-risk property insurance and public liability insurance, including but not limited to sudden and accidental pollution and evacuation expense to the extent commercially available and with respect to the Units, in amounts, with deductibles or self insurance retention limits and against risks customary for insurance obtained by Class I railroads on similar equipment, and in any event in amounts, with deductibles or self insurance retention limits and against risks comparable to those provided for in insurance maintained by Lessee on similar equipment owned or leased by it and in an amount with respect to public liability insurance not less than \$5 million per occurrence. Such insurance policies will, among other things, name Lessor as additional insured and as loss payee, as the case may be and as its interest may appear, shall require that the insurer give Lessor at least thirty (30) days prior written notice (at the address for notice to Lessor set forth in Section 25 hereof) of any alteration in or cancellation of the terms of such policy (which prior notice shall be reduced to ten (10) days for nonpayment of premiums), and shall require that the interests of Lessor be continually insured regardless of any breach of or violation by Lessee of any warranties, declarations or conditions contained in such insurance policy. The insurance maintained by Lessee shall be primary without any right of contribution from insurance which may be maintained by Lessor. The obligations of Lessee under this Section 11 shall be independent of all other terms under this Lease and shall in no event relieve Lessee from any indemnity obligation hereunder. Lessee shall provide Lessor with certificates evidencing the insurance maintained by Lessee hereunder.

**SECTION 12. COMPLIANCE WITH LAWS; OPERATION AND MAINTENANCE; ADDITIONS.**

(a) Lessee will (i) use the Units only in the manner for which such Units were designed and intended and such that the value thereof will be preserved to the extent consistent with normal railroad operations, (ii) comply with and conform to all governmental laws, rules, requirements, and regulations relating thereto, (iii) maintain such Units in a condition such that such Units are acceptable in unrestricted interchange in the United States and Canada, and (iv) cause the Units to be operated in accordance with the manufacturer's or supplier's instructions or manuals. Without limiting the generality of the foregoing, Lessee will (1) cause the Units to be used in compliance with all rules of the AAR and the FRA and any other state, federal or foreign agency having jurisdiction over the condition,

maintenance, repair or safety of the Units, (2) not permit any Unit to be loaded with any matter other than the Commodity or to be loaded improperly or in excess of the load limit stenciled thereon, (3) in no event permit any hazardous material, hazardous commodity, hazardous waste or hazardous substance to be loaded in any Unit, and (4) not permit any Unit to be outside the continental United States at any time except that occasional service in Canada or Mexico shall be permitted so long as such service in Canada or Mexico is on a temporary basis which is not expected to exceed a total of 90 days in any taxable year of Lessor.

(b) Lessee will, at its own expense, keep and maintain or cause to be kept and maintained the Units in good repair, condition and working order and, at Lessee's expense, furnish all parts, replacements, mechanisms, devices and servicing required therefor so that the value, condition and operating efficiency thereof will at all times be maintained and preserved, reasonable wear and tear excepted, but in any event to a standard at least equal to the standard and frequency of maintenance performed on other similar equipment owned or leased by Lessee. Lessee will cause each Unit to be maintained in conformity with all rules and regulations of the AAR and the FRA (including, without limitation, Title 49 of the U.S. Code of Federal Regulations and the AAR Field Manual of Interchange Rules, as amended) and any other state, federal or foreign agency having jurisdiction over the condition, maintenance, repair or safety of the Units and, if mandated, modified at Lessee's expense so that such Units will qualify for unrestricted interchange in the United States and Canada and remain suitable for loading, transporting and unloading the Commodity. All such repairs, parts, mechanisms, devices, replacements and modifications shall immediately, without further act, become the property of Lessor and part of the affected Unit.

(c) Lessee will not make or authorize any improvement, change, addition or alteration to the Units (i) if such improvement, change, addition or alteration will impair the originally intended function or use of the Units or impair the value of the Units as they existed immediately prior to such improvement, change, addition or alteration, (ii) unless the parts installed are in good working condition and repair and in compliance with all rules and recommendations of the AAR and the FRA and any other state, federal or foreign agency having jurisdiction over the condition, maintenance, repair or safety of the Units, or (iii) if any parts installed in or attached to or otherwise becoming a part of the Units as a result of any such improvement, change, addition or alteration shall not be readily removable without damage to the Units (unless such improvement is mandated by the AAR, the FRA and any other state, federal or foreign agency having jurisdiction over the condition,

maintenance, repair or safety of the Units). All such parts shall be and remain free and clear of any Liens. Any such part attached to any Unit shall, without further act, become the property of Lessor and part of such Unit.

(d) Lessee shall not amend or modify the Maintenance Agreement in respect of the Units in any manner without Lessor's prior written consent, such consent not to be unreasonably withheld or delayed. In the event the Maintenance Agreement shall terminate through no fault of Lessee, Lessee shall, within sixty (60) days after such termination, enter into a maintenance agreement providing a scope of maintenance service comparable to the terminated Maintenance Agreement with a qualified maintenance provider acceptable to Lessor, such acceptance not to be unreasonably withheld or delayed (and such agreement shall thereupon be deemed the Maintenance Agreement for all purposes hereof).

**SECTION 13. INSPECTION.** Lessor and its authorized representatives may at any reasonable time or times upon prior notice to Lessee inspect the Units and the maintenance and movement records of Lessee. Lessee will at all times requested by Lessor and its authorized representatives cooperate with and assist such persons in locating and gaining access to the Units.

**SECTION 14. OWNERSHIP AND MARKING OF UNITS.**

(a) Lessor, as between Lessor and Lessee, shall and hereby does retain full legal title to the Units notwithstanding the delivery thereof to and possession and use thereof by Lessee.

(b) Lessee shall, at its own expense, attach to and cause to be maintained on each Unit a notice satisfactory to Lessor disclosing Lessor's interests in such Unit. The following notice will be satisfactory if stenciled or contained in a placard attached to each side of each Unit in letters having a height of one inch or more and continually legible:

"SUBJECT TO LEASE AND/OR SECURITY INTEREST FILED  
WITH U.S. INTERSTATE COMMERCE COMMISSION."

(c) Lessee will cause each Unit to be kept marked and numbered with the identifying mark and number set forth in Schedule A or the applicable Lease Supplement. Lessee will not place or permit any Unit to be placed in operation or exercise any control or dominion over the same until such number shall have been so marked on all sides thereof and will replace or cause to be replaced promptly any such name and words which may be removed, defaced, obliterated or destroyed. Lessee will not

change or permit to be changed the identifying mark or number of any Unit unless and until (i) a statement of new mark and/or number or numbers to be substituted therefor shall have been filed, recorded or deposited by Lessee in all public offices where this Lease or any Lease Supplement shall have been filed, recorded and deposited, and (ii) Lessee shall have furnished Lessor an opinion of counsel to the effect that such statement has been so filed, recorded and deposited, such filing, recordation and deposit will protect Lessor's interests in such Units, and no additional filing, recording, deposit or giving of notice with or to any other federal, state, foreign or local government or agency thereof is necessary to protect the interests of Lessor in such Units. During the Lease Term, Lessee will not alter, deface, cover or remove such markings without the prior written consent of Lessor.

#### SECTION 15. LOSS OR DAMAGE.

(a) All risk of loss, theft, damage or destruction to the Units or any Unit or any part thereof, however incurred or occasioned, shall be borne by Lessee and, unless such occurrence constitutes an Event of Loss pursuant to Subsection 15(b) hereof, Lessee shall promptly cause the affected part or parts of any Unit to be replaced or restored to the condition and repair required to be maintained by Section 12 hereof.

(b) If an Event of Loss with respect to any Unit shall occur, Lessee shall give Lessor written notice thereof not later than 30 days after a responsible officer of Lessee has knowledge of such Event of Loss, and Lessee shall pay to Lessor on or before the Loss Payment Date an amount equal to the sum of (i) the Stipulated Loss Value of such Unit computed as of such Loss Payment Date with respect to such Unit, and (ii) all rent and other amounts due and owing hereunder for such Unit on or prior to such Loss Payment Date. Upon payment of such amount to Lessor, the lease of such Unit hereunder shall terminate, and Lessor will transfer to Lessee Lessor's right, title and interest in and to such Unit, on an "as-is, where-is" basis, without recourse and without representation or warranty, express or implied, other than a representation and warranty that such Unit is free and clear of any Lessor's Liens as evidenced by a bill of sale. If a Unit is damaged on the line of a railroad of Lessee, Lessee shall determine whether an Event of Loss has occurred within 90 days following the event causing such damage. An Event of Loss shall be deemed to have occurred with respect to any Unit damaged on the line of a railroad other than that of Lessee on the date that Lessee receives notice that the Unit has been declared destroyed for the purpose of Rule 107 of the AAR interchange rules.

(c) Any payments received at any time by or for the benefit of Lessor or Lessee from any insurer or railroad with respect to loss or damage to a Unit shall be applied as follows: (i) if such payments are received with respect to an Event of Loss they shall be paid to Lessor, but to the extent received by Lessor, they shall reduce or discharge, as the case may be, Lessee's obligation to pay the amounts due to Lessor under Subsection 15(b) hereof with respect to such Event of Loss and any excess over the amounts due Lessor under Subsection 15(b) hereof will be paid to Lessee; or (ii) if such payments are received with respect to any loss of or damage to any Unit other than an Event of Loss, such payments shall, unless a Default or Event of Default shall have occurred and be continuing, be paid over to Lessee to reimburse Lessee for its payment of the costs and expenses incurred by Lessee in replacing or restoring pursuant to Subsection 15(a) hereof, the Unit or part thereof which suffered such loss or damage.

#### SECTION 16. GENERAL INDEMNITY.

(a) Lessee assumes liability for, and shall defend, indemnify, protect, save and keep harmless Lessor, TransAccess (and its partners), and their respective agents, servants, officers, directors, employees, affiliates, successors and assigns (each, an "Indemnified Person") from and against any and all liabilities, obligations, losses, damages, penalties, claims, demands, actions, suits, costs and expenses (including, without limitation, reasonable legal fees and expenses) of whatsoever kind or nature, imposed on, incurred by or asserted against any Indemnified Person, in any way relating to, arising out of, or in respect of this Lease or the enforcement hereof, or the manufacture, acceptance, rejection, ownership, selection, delivery, non-delivery, lease, possession, operation, use, marking, repair, replacement, transportation, storage, condition, sale hereunder, return, repossession, or other disposition of the Units or any Unit or any part thereof (including, without limitation, latent or other defects, whether or not discoverable by Lessee or any other person, any claim in tort for strict liability and any claim for patent, trademark or copyright infringement); provided, however, that Lessee shall not be required under this Section 16 to defend, indemnify, protect, save or keep harmless any Indemnified Person for (i) loss or liability arising from acts or events which occur after the Units have been returned to Lessor in accordance with this Lease and not substantially related to events or circumstances occurring earlier, (ii) loss or liability resulting predominately from any willful misconduct or gross negligence of such Indemnified Person, or (iii) any taxes, whether or not Lessee is required to pay, indemnify, hold harmless or reimburse therefor under Section 17 or the Tax Indemnity Agreement, Lessee's entire

obligation with respect to taxes being fully set forth in Section 17 and the Tax Indemnity Agreement.

(b) Lessor shall not be liable for any loss or damage to any commodity or freight of any kind, or any part thereof, loaded or shipped in or on the Units. Lessee agrees to assume responsibility for any liability arising from any such loss or damage, and further agrees to indemnify Lessor against, and hold Lessor harmless from, claims for any such loss or damage.

(c) Any payments made by Lessee under this Section 16 shall be made on an After-Tax Basis. The provisions of this Section 16 shall survive the expiration or earlier termination of this Lease.

#### **SECTION 17. GENERAL TAX INDEMNITY.**

(a) Except as provided in Subsection 17(b), Lessee agrees to pay and to indemnify and hold Lessor and TransAccess and, where applicable, their agents, servants, officers, directors, employees, affiliates, successors and assigns and any partner in any of the foregoing (each a "Tax Indemnitee"), harmless on an After-Tax Basis from and against all license and registration fees and all taxes, assessments, rates and charges, excises, permit fees, inspection fees, levies, imposts, duties, charges or withholding of any nature whatsoever, including, without limitation, sales, gross receipts, transfer, property, stamp, use, value added or similar taxes, together with any penalties, additions to tax, fines or interest thereon imposed against each such Tax Indemnitee, Lessee, this Lease, any sublessee or any person in possession of any Unit or part thereof, or any Unit or part thereof by any federal, state or local government or taxing authority in the United States or by any foreign government or any subdivision or taxing authority thereof, or by any international taxing authority, upon, with respect to, as a result of, arising out of, measured by, or in any way relating to (i) any Unit or part thereof, (ii) the purchase, acquisition, acceptance, repair, abandonment, storage, importation, exportation, rejection, rebuilding, reconstruction, ownership, delivery, redelivery, manufacture, modification, documentation, mortgaging, maintenance, location, financing, refinancing, leasing, subleasing, possession, use, non-use, repossession, substitution, operation, transfer of title, registration, reregistration, transfer of registration, return, or sale or other disposition of any Unit or part thereof or the imposition of any Lien, or the incurrence of any liability to refund or pay over any amount as the result of any Lien, on any Unit or part thereof, (iii) the rentals, receipts, income or earnings arising from any Unit or part thereof, (iv) any sublease of any Unit or part thereof, or the issuance, modification, re-issuance, or

acquisition thereof, any payment made pursuant to any such agreement or upon or with respect to any property, or the income or other proceeds received with respect to any property (all such fees, taxes, assessments, rates and charges, excises, levies, imposts, duties, charges and withholdings, penalties, additions to tax, fines and interest being hereinafter called, for purposes of this Section 17, "Taxes").

(b) The indemnity set forth in Subsection 17(a) shall not apply to: (i) any income, franchise, net worth and capital taxes, in each case that are on or measured by net income (including any minimum or alternative minimum income taxes and any income taxes on or measured by items of tax preference, but excluding any and all taxes that are sales or use taxes) (hereinafter referred to, for the purposes of this Section 17, as "Income Taxes"), imposed by (1) the United States federal government, or (2) any state or local taxing jurisdiction of the United States in which Tax Indemnitee is incorporated or maintains its principal office or principal place of business or in which Tax Indemnitee is subject to such taxes by reason of activities wholly unrelated to any of the transactions contemplated by the Lease Agreements; (ii) Income Taxes imposed by a foreign government or foreign or international taxing authority except as a result of the location, operation, use, leasing or rental in its jurisdiction of any Unit or part thereof or the location in its jurisdiction of Lessee or any sublessee; (iii) taxes imposed upon Lessor's purchase or other acquisition of any Unit or component or part thereof except to the extent such taxes result from (1) the location, operation, use, leasing of such Unit or part by the Lessee in the jurisdiction imposing such taxes after the acquisition date or (2) the exercise by Lessee of any right (or the performance of any obligation) to repair, rebuild, replace, substitute, modify, improve or add to or remove from service any Unit or part thereof, (iv) taxes imposed on a Tax Indemnitee resulting from (1) a voluntary or involuntary sale, assignment, transfer or other disposition by Lessor of any Unit or interest therein or any of the Lease Agreements or rights created thereunder (it being understood that for purposes of this clause (1) the Lease from Burlington Northern Railroad Company to Lessee hereunder shall not be treated as such a sale, assignment, transfer or other disposition) except if (A) an Event of Default shall have occurred in the case of an Event of Default described in Subsection 18(f) or (g), or shall have occurred and be continuing in the case of any other Event of Default, (B) such taxes result from the exercise by Lessee of any right (or the performance of any obligation) to repair, rebuild, replace, substitute, modify, improve or add to or remove from service any Unit or part thereof, or (C) such disposition is a purchase pursuant to Section 8, or (2) a disposition in connection with a bankruptcy or similar proceeding involving Lessor, except if an Event of

Default shall have occurred in the case of an Event of Default described in Subsection 18(f) or (g), or shall have occurred and be continuing in the case of any other Event of Default;

(v) taxes that are imposed in respect of, and fairly attributable to, any period (1) prior to the commencement of the Lease Term with respect to each Unit or (2) after the expiration or early termination of this Lease with respect to each Unit, so long as (with respect to this clause (2)) Lessee shall have discharged all its obligations under this Lease; (vi) taxes imposed on Tax Indemnatee that arise out of or are caused by the gross negligence or willful misconduct of Tax Indemnatee; (vii) taxes owing as a result of the failure of Tax Indemnatee to have contested any claim that Tax Indemnatee is required to contest in accordance with Subsection 17(g); (viii) any interest, penalties or additions to tax that result from the failure of Tax Indemnatee to file when due any report or return required by a taxing authority or to pay or remit any tax when due, except to the extent attributable to the failure of Lessee to perform properly and on a timely basis its obligations under Subsections 17(c) and (d); or (ix) any withholding tax under Code section 1441 or 1442.

(c) In the event Lessee claims exemption from any taxes in the nature of or in lieu of sales, use, transfer or a similar type of taxes arising out of Lessee's payment of rent pursuant to this Lease, Lessee shall timely register or apply for such exemption if permitted by the applicable jurisdiction; otherwise, Lessee shall, within fifteen (15) days prior to the date that the applicable filing is due, complete and deliver to Lessor an exemption application or similar document for any applicable jurisdiction. Lessee shall prepare and file timely returns in the name of Lessee or, if required by any such jurisdiction, in the name of Lessor (any such returns prepared by Lessee in the name of Lessor shall be forwarded by Lessee to Lessor prior to the required filing date of such returns) applicable to taxes in the nature of or in lieu of sales, use, transfer or other similar type of taxes reporting the rental payments hereunder; provided, however, in those jurisdictions where Lessor is required to file returns for the taxable year applicable to such taxes by reason of activities unrelated to the transactions contemplated by the Lease Agreements, and Lessor is required to include information or transactions subject to this Lease in such returns, Lessee shall not be required to prepare and file such returns but shall, upon Lessor's written request, provide to Lessor information with respect to the transactions contemplated by the Lease Agreements. Notwithstanding anything to the contrary in this Section 17, Lessee's obligation, if any, to indemnify Lessor for sales, use, transfer or a similar type of tax arising out of Lessor's acquisition subsequent to the date hereof of its interest in the Units, any item thereof or any component part thereof, including any modification, replacement or substitution thereof, shall be



conditioned upon Lessor: (i) if required by any applicable taxing jurisdiction to obtain exemption from any such tax and if Lessee shall have timely notified Lessor in writing of such requirement and shall have timely delivered to Lessor properly completed resale certificates or other similar documents, delivering timely to the seller of the Units or of the component part, or to the applicable taxing authority, such certificates or other documents in properly executed form and (ii) if required by any such taxing jurisdiction to permit delivery of issuance of such resale certificates or other documents, and upon written request of Lessee, applying for sales tax permits or similar documents.

(d) Lessee shall be responsible for reporting the Units for ad valorem property tax purposes in each applicable state or locality and no Tax Indemnitee shall include any Unit in any ad valorem property tax or other similar tax returns filed by it in such states or localities. In the event any reports with regard to private railroad car mileage or a similar type of taxes are required to be made by any jurisdiction with respect to Lessee's operation of the Units or any item thereof in such jurisdiction, Lessee shall make and timely file such reports, and in the event any reports with regard to private railroad car mileage or a similar type of taxes are required to be made by any jurisdiction with respect to Lessor's ownership of the Units or any item thereof, Lessee shall prepare such reports in order for Lessor to make and timely file such reports. All other tax returns or reports (excluding any return or report applicable to U.S. federal, state or local Income Taxes or taxes in the nature of or in lieu of sales, use, transfer or a similar type of taxes) required to be filed with any jurisdiction with respect to any Unit, or in regard to the ownership, leasing, possession, use, operation, rent or other sums payable by Lessee hereunder on or with respect to the transactions contemplated by the Lease Agreements shall be prepared by Lessee; provided, however, in those jurisdictions where Lessor is required to file returns for the taxable year applicable to such taxes by reason of activities unrelated to the transactions contemplated by the Lease Agreements, and Lessor is required to include information on transactions subject to this Lease in such returns, Lessee shall not be required to prepare and file such returns but shall, upon Lessor's written request, provide to Lessor information with respect to the transactions contemplated by the Lease Agreements.

(e) All payments required to be made by Lessee pursuant to this Section 17 shall be made in immediately available funds (or by any other form of payment permitted by the applicable taxing authority) no later than the date on which the indemnified Taxes are required to be paid and shall be made directly to the taxing authority if legally permissible, unless Tax Indemnitee shall timely demand otherwise. Any payments by Lessee to a

governmental agency in satisfaction of Taxes for which it is obligated to indemnify a Tax Indemnatee under this Section 17 shall be given full credit against Lessee's obligation to indemnify such Tax Indemnatee. Lessee shall provide to the appropriate Tax Indemnatee proof of all payments, copies of relevant portions of returns, and proofs of filing of all returns required to be filed by Lessee pursuant to this Section 17. If Lessee and Tax Indemnatee shall not be able to agree upon the computation of any amount required to be paid pursuant to this Section 17, Tax Indemnatee shall present its computation in reasonable detail in a written statement to Lessee. Such statement shall be binding and conclusive on Lessee, unless within 15 days following Lessee's receipt of such statement, Lessee requests that such computation be verified by an independent nationally recognized accounting firm (which shall be selected by such Tax Indemnatee and reasonably acceptable to Lessee). If such accounting firm determines that Tax Indemnatee's computation is incorrect, the computation of such accounting firm of the correct amount shall be binding and conclusive upon the parties. The accounting firm shall be requested to make its determination within 30 days of Lessee's request for verification. The Tax Indemnatee shall cooperate with such accounting firm and shall supply it with all information necessary to permit it to make its determination. Lessee shall not have any right to inspect the books, records or tax returns of Tax Indemnatee to verify the computation of either Tax Indemnatee or the accounting firm (or for any other purpose). All fees and expenses of the accounting firm payable pursuant to this Subsection 17(e) shall be borne by Lessee unless it is determined that the actual amount payable is less than 90 percent of the amount originally determined by the Tax Indemnatee, in which case the costs will be borne by the Tax Indemnatee.

(f) If any claim is made against any Tax Indemnatee, by commencement of proceedings against such Tax Indemnatee or otherwise, for any Taxes as to which Lessee would have an indemnity obligation pursuant to this Section 17, such Tax Indemnatee shall promptly notify Lessee of such claim in writing and in any event within 30 days or earlier, if necessary to facilitate a timely response to the notice, and shall furnish Lessee with copies of all materials received from the applicable taxing authority solely with respect to such claim; provided that failure so to notify or to furnish any such information shall not reduce Lessee's obligations hereunder except to the extent that such failure materially prejudices Lessee's ability to pursue its contest rights hereunder. Lessee may, at its expense, in good faith and by appropriate legal proceedings, contest or defend (and shall be entitled to control such contest or defense) on its own behalf (or if required by the applicable jurisdiction, in Tax Indemnatee's name on Tax Indemnatee's behalf) an asserted claim or claims or liability for which it is indemnifying under this

Section 17 provided either (i) the return in respect of which the claim arises is filed under Lessee's name or (ii) claims for which an indemnity would be required are the only items being contested in respect of such return. Notwithstanding the foregoing, Tax Indemnitee has the right to require Lessee not to contest any claim that Lessee has a right to contest under this Subsection 17(f) if Tax Indemnitee agrees to relieve Lessee from any indemnification liability under this Section 17 with respect to the taxes at issue in such claim. In addition, Lessee shall not have any right to contest a claim pursuant to this Subsection 17(f) or Subsection 17(g) if (x) an Event of Default shall have occurred in the case of an Event of Default described in Subsection 18(f) or (g), or shall have occurred and be continuing in the case of any other Event of Default or (y) such Tax Indemnitee shall have determined that the contest will result in a material danger of sale, forfeiture or loss of any Unit (unless Lessee shall have made provision to protect the interests of such Tax Indemnitee in a manner reasonably satisfactory to such Tax Indemnitee).

(g) (i) If Lessee is not permitted to contest a claim under the second sentence of Subsection (f) or does not elect to contest the claim thereunder, then Lessee's contest rights shall be governed by the provisions of this Subsection 17(g). If requested by the Lessee within 15 days of its having received notice of the proposed claim pursuant to Subsection 17(f), Tax Indemnitee, at Lessee's expense, shall request an opinion of Tax Counsel as to whether there is a reasonable basis (as defined in ABA Formal Opinion 85-352 and any successor advice) against payment of all or any portion of the taxes in controversy. If the opinion shall be to that effect and if the Lessee shall timely request Tax Indemnitee to do so, Tax Indemnitee shall contest the claim; provided, however, that Lessee (1) shall have acknowledged its liability to such Tax Indemnitee for an indemnity payment pursuant to this Section 17 if and to the extent such Tax Indemnitee shall not prevail in the contest of such claim, (2) shall have agreed to indemnify Tax Indemnitee in a manner reasonably satisfactory to Tax Indemnitee for any other liability or loss that Tax Indemnitee may reasonably incur as a result of contesting the claim and (3) shall have agreed to pay to Tax Indemnitee on demand all reasonable costs and expenses which Tax Indemnitee shall from time to time have incurred in connection with contesting the claim (including reasonable fees and disbursements of counsel and any payment of tax, interest or penalties applicable to such claim to be paid in advance in order to contest the claim).

(ii) Tax Indemnitee, after consulting with Tax Counsel, shall determine in its sole discretion the nature of all action to be taken to contest a claim pursuant to this Subsection 17(g) including (1) whether any action to contest such claim shall

initially be by way of judicial or administrative proceedings, or both, (2) whether the claim shall be contested by resisting payment thereof or by paying the same and seeking a refund thereof, and (3) if Tax Indemnatee shall undertake judicial action with respect to such claim, the court or other judicial body before which such action shall be commenced. If Tax Indemnatee, after consulting with Tax Counsel, shall determine to contest the claim by way of administrative proceedings, and such administrative proceedings result in an adverse determination, and Tax Counsel renders an opinion that there is a reasonable basis under ABA Formal Opinion 85-352 (and any successor advice) to do so, Tax Indemnatee shall further contest such proposed adjustment in a court of primary jurisdiction until a determination by such court with respect to the claim has been rendered. If such determination is adverse to Tax Indemnatee and Tax Counsel determines that it is more likely than not that an appeal of such determination will succeed, Tax Indemnatee shall appeal such determination if requested by Lessee. Tax Indemnatee shall not, without Lessee's written consent, settle any claim unless Tax Indemnatee relieves Lessee from any indemnity liability in respect of such claim.

(iii) Lessee shall be advised of all proceedings related to the contest of any claim pursuant to this Subsection 17(g), and shall have the right to attend the portions of such proceedings solely relating to matters for which Lessee has an indemnification obligation hereunder. Tax Indemnatee shall endeavor in good faith to advise Lessee of all action taken or proposed to be taken by the applicable taxing authority, and of all action proposed to be taken by Tax Indemnatee and shall, to the extent practicable in advance of any proceedings, permit the Lessee, upon request, reasonable opportunity to review the content of documentation, protests, memoranda of fact and law, briefs and stipulations of fact, each relating exclusively to the claim for which Lessee would be required to indemnify Tax Indemnatee; provided, however, that such opportunity to review shall not affect the Tax Indemnatee's absolute right to control the conduct of such proceedings and provided further, however, that Lessee shall have no right to receive any confidential information relating to activities or transactions of Tax Indemnatee.

(h) If, by reason of any indemnity payment made by Lessee to any Tax Indemnatee pursuant to this Section 17, such Tax Indemnatee subsequently actually realizes a tax benefit as a result of any Taxes paid or indemnified against by Lessee under this Section 17 that was not previously taken into account in computing the amount of an indemnity payment, such Tax Indemnatee shall pay to Lessee an amount equal to the sum of (i) the actual reduction in Taxes realized by such Tax Indemnatee and attributable to such tax benefit, and (ii) the actual reduction

in Taxes realized by such Tax Indemnatee as a result of its payment pursuant to this Subsection 17(h); provided, that such Tax Indemnatee shall be deemed to utilize tax benefits subject to indemnification under this Subsection 17(h) after all other available tax benefits; provided, further, that such Tax Indemnatee shall not be obligated to make any payment pursuant to this Subsection 17(h) in excess of the amount of all prior indemnity payments from Lessee to such Tax Indemnatee pursuant to this Subsection 17(h), less all prior payments from such Tax Indemnatee to Lessee pursuant to this Subsection 17(h); provided, further, that such Tax Indemnatee shall not be obligated to make a payment pursuant to this Subsection 17(h) if an Event of Default shall have occurred in the case of an Event of Default described in Subsection 18(f) or (g), or shall have occurred and be continuing in the case of any other Event of Default.

**SECTION 18. EVENTS OF DEFAULT.** The following events shall each constitute an event of default (herein called "Event of Default") under this Lease:

(a) Lessor fails to receive any payment of rent, Stipulated Loss Value, purchase price under Section 8 hereof, or any other amount owing hereunder within five (5) days after the date the same is due; or

(b) Lessee shall fail to observe or perform any covenant, condition, or agreement to be performed or observed on the part of Lessee contained in Sections 7, 10, 11, 12(d), 14, 21 or 22; or

(c) Lessee shall fail to perform or observe any other covenant, condition or agreement to be performed or observed on the part of Lessee with respect to this Lease and such failure shall continue unremedied for 30 days after the earlier of (i) the date upon which a responsible officer of Lessee obtains knowledge of such failure, and (ii) the date on which written notice of such default and demand that the same be remedied shall be given by Lessor to Lessee; or

(d) [intentionally left blank]

(e) any representation or warranty made by Lessee herein or in any document, certificate or financial or other statement now or hereafter furnished to Lessor in connection with this Lease shall prove at any time to have been untrue or misleading in any material respect as of the time when made; or

(f) Lessee shall (i) be generally not paying its debts as they become due, (ii) file, or consent by answer or otherwise to the filing against it of a petition for relief or reorganization

or liquidation or to take advantage of any bankruptcy or insolvency law of any jurisdiction, (iii) make an assignment for the benefit of its creditors, (iv) consent to the appointment of a custodian, receiver, trustee or other officer with similar powers of itself or any substantial part of its property, or (v) take corporate action for the purpose of any of the foregoing; or

(g) a court or governmental authority of competent jurisdiction shall enter an order appointing, without the consent of Lessee, a custodian, receiver, trustee or other officer with similar powers with respect to it or with respect to any substantial part of its property, or constituting an order for relief or approving a petition for relief or reorganization or any other petition in bankruptcy or for liquidation or to take advantage of any bankruptcy or insolvency law of any jurisdiction, or ordering the dissolution, winding-up or liquidation of Lessee and any such order or petition is not dismissed or stayed within 60 days after the earlier of the entering of any such order or the approval of any such petition; or

(h) [intentionally left blank]; or

(i) Lessee fails to perform or observe any covenant or obligation or to pay any amount, required under the Tax Indemnity Agreement; or

(j) An event of default shall have occurred under the Maintenance Agreement and such event of default shall not have been cured by Lessee within the earlier of (i) the cure period available under the Maintenance Agreement, and (ii) thirty (30) days after Lessor has given Lessee written notice of such default.

**SECTION 19. REMEDIES.** If an Event of Default described in Subsections 18(f) or (g) above shall occur, then, and in any such event, this Lease shall automatically, without any other or further notice or action by Lessor, be deemed to be in default, and if any other Event of Default shall occur and be continuing, then, and in any such event, Lessor may, at its option, declare this Lease to be in default. At any time after this Lease shall either be deemed to be in default or be declared by Lessor to be in default, pursuant to the preceding sentence, Lessor may do any one or more of the following with respect to all of the Units or any Unit or any part thereof as Lessor, in its sole discretion, shall elect, to the extent permitted by applicable law then in effect:

(a) by written notice to Lessee demand that Lessee return the Units, and Lessee shall thereupon at its expense return the Units promptly to Lessor at such place or places in North America as Lessor shall specify or store such Units at Lessee's expense until such time as Lessor shall complete a sale of such Units, or Lessor, at its option, may enter upon any property of Lessee (or any affiliate of Lessee) where any Unit is located and take immediate possession of such Unit and remove the same by summary proceedings or otherwise, all without liability for or by reason of such entry or taking of possession, whether for the restoration of damage of property caused by such taking or otherwise; or

(b) sell all or any number of Units at public or private sale, with or without notice, advertisement or publication, as Lessor may determine, or otherwise dispose of, hold, use, operate, lease to others or keep idle all or any number of Units as Lessor, in its sole discretion, may determine, all free from any rights of Lessee hereunder or otherwise and without any duty to account to Lessee with respect to such action or inaction or for any proceeds with respect thereto; or

(c) by written notice to Lessee specifying a payment date, demand that Lessee pay to Lessor, and Lessee shall thereupon pay to Lessor, on the payment date specified in such notice, as liquidated damages for loss of a bargain and not as a penalty, all accrued and unpaid rent for the Units due on all Rent Payment Dates up to and including the payment date specified in such notice plus an amount (together with interest on such amount at the Late Charge Rate, from the payment date specified in such notice to the date of actual payment) equal to the excess, if any, of the Stipulated Loss Value of the Units as of the payment date specified in such notice over the amount Lessor reasonably estimates to be the sales value of such Units as of such date; or

(d) by written notice to Lessee specifying a payment date, demand that Lessee pay to Lessor, and Lessee shall thereupon pay to Lessor, on the payment date specified in such notice, as liquidated damages for loss of a bargain and not as a penalty, all accrued and unpaid rent for the Units due on all Rent Payment Dates up to and including the payment date specified in such notice, plus an amount (together with interest on such amount at the Late Charge Rate, from the payment date specified in such notice to the date of actual payment) equal to the Stipulated Loss Value for the Units computed as of the payment date specified in such notice; and upon such payment of liquidated damages and the payment of all other amounts then due hereunder, Lessor shall proceed to exercise reasonable efforts to sell the Units in any quantity and shall pay over to Lessee the net proceeds of such sale (after deducting from such proceeds all costs and expenses whatsoever incurred by Lessor in connection

therewith and all other amounts which may become payable by Lessor) up to the amount of the Stipulated Loss Value actually paid by Lessee; or

(e) Lessor may exercise any other right or remedy which may be available to it under applicable law or proceed by appropriate court action to enforce the terms hereof or to recover damages for the breach hereof or to terminate this Lease.

In addition, Lessee shall be liable for any and all unpaid rent and other amounts due hereunder before, during or after the exercise of any of the foregoing remedies and for all reasonable attorneys' fees and other costs and expenses incurred by reason of the occurrence of any Default or any Event of Default or the exercise of Lessor's remedies with respect thereto, including all costs and expenses incurred in connection with return of any Unit or the placing of any Unit in the condition required by Section 12 hereof.

The remedies in this Lease provided in favor of Lessor shall not be deemed exclusive, but shall be cumulative and may be exercised concurrently or consecutively, and shall be in addition to all other remedies in its favor existing at law or in equity. Lessee hereby waives (i) any mandatory requirements of law, now or hereafter in effect, which might limit or modify the remedies herein provided, to the fullest extent that such waiver is not, at the time in question, prohibited by law, and (ii) any and all existing or future claims to any offset against the rent payments regardless of any offset or claim which may be asserted by Lessee or on its behalf. The failure of Lessor to exercise the rights granted it hereunder upon the occurrence of any of the contingencies set forth herein shall not constitute a waiver of any such right upon the continuation or recurrence of any such contingencies or similar contingencies.

**SECTION 20. LESSOR'S RIGHT TO PERFORM.** If Lessee fails to make any payment required to be made by it under any Lease Agreement or fails to perform or comply with any of its other agreements contained under any Lease Agreement and after notice thereof delivered by Lessor to Lessee, Lessor may itself make such payment or perform or comply with such agreement, and the amount of such payment and the amount of the reasonable expenses of Lessor incurred in connection with such payment or the performance of or compliance with such agreement, as the case may be, together with interest thereon at the Late Charge Rate, shall be deemed to be additional rent, payable by Lessee on demand.

**SECTION 21. ASSIGNMENT OR SUBLEASE.** LESSEE WILL NOT, WITHOUT THE PRIOR WRITTEN CONSENT OF LESSOR, ASSIGN THIS LEASE OR



ANY INTEREST HEREIN OR SUBLEASE OR OTHERWISE TRANSFER OR ENCUMBER ITS INTEREST IN ANY UNIT, AND ANY ATTEMPTED ASSIGNMENT, SUBLEASE OR OTHER TRANSFER OR ENCUMBRANCE BY LESSEE IN VIOLATION OF THIS PROVISION SHALL BE VOID; provided, however, Lessee may sublease any of the Units to any of its domestically operating rail subsidiaries and/or place the Units in interchange in accordance with industry custom so long as such Units remain subject to this Lease and Lessee remains the primary obligor hereunder. Lessee shall remain primarily liable to Lessor for the performance of all duties and obligations hereunder notwithstanding any sublease permitted hereunder.

**SECTION 22. LESSEE AS RAILROAD.** Lessee will be and remain a Class I railroad subject to the jurisdiction of the ICC or any successor governmental agency having comparable jurisdiction for so long as Class I railroads are subject to such jurisdiction.

**SECTION 23. FURTHER ASSURANCES; FINANCIAL INFORMATION; REPORTS.**

(a) Lessee will, at its own expense, promptly and duly execute and deliver to Lessor such further documents and assurances and take such further action as Lessor may from time to time reasonably request including, without limitation, any amendments hereto in order to establish and protect the rights, interests and remedies created or intended to be created in favor of Lessor hereunder. In addition, Lessee will, at Lessor's own expense, promptly and duly execute and deliver, and take such further action, as described in the preceding sentence and as requested by any lender providing financing to Lessor and receiving an assignment of, or security interest in the rentals payable by Lessee hereunder.

(b) Lessee will qualify to do business, and remain qualified in good standing, in each jurisdiction in which the nature of its activities from time to time may require.

(c) Lessee will furnish or cause to be furnished to Lessor the following reports: (i) as soon as available, but in any event not later than 120 days after the end of each fiscal year of the relevant entity, consolidated balance sheets as at the end of such fiscal year, and consolidated statements of income and consolidated statements of cash flow for such fiscal year, prepared in accordance with generally accepted accounting principles applied on a basis consistently maintained throughout the period involved and audited and certified by certified public accountants of recognized national standing for Lessee; (ii) as soon as available, but in any event not later than 90 days after the end of each of the first three quarterly periods of each

fiscal year of the relevant entity, consolidated balance sheets as at the end of such quarterly period and consolidated statements of income for such quarterly period and for the portion of the fiscal year then ended, all in reasonable detail, prepared in accordance with generally accepted accounting principles applied on a basis consistently maintained throughout the period involved and certified by the chief financial officer of Lessee; (iii) promptly, such additional publicly available financial and other information of Lessee as Lessor may from time to time reasonably request; (iv) on or before May 31 of each year, a report or reports executed by an officer or officers of Lessee certifying as to the prior calendar year the identity of each Unit by running mark and number, the condition of such Unit, whether there has been a casualty to such Unit, whether or not a Default has occurred under the Lease, and that all taxes imposed and due and payable on each Unit have been paid in full; and (v) immediately upon becoming aware of the existence of any condition or event which constitutes a Default, an Event of Default or an Event of Loss under this Lease, a written notice to Lessor specifying the nature and period of existence thereof and what action, if any, Lessee is taking or proposes to take with respect thereto; provided, that so long as Lessee remains an issuer of securities registered under the Securities Act of 1934, as amended, the requirements of clauses (i) and (ii) hereof may be satisfied by timely delivery of Lessee's Form 10-K and Form 10-Q respectively.

**SECTION 24. RECORDING.** Lessor will cause this Lease and all supplements and amendments to this Lease to be duly filed with the ICC pursuant to 49 U.S.C. Section 11303. Lessor will further cause this Lease and/or appropriate financing statements to be filed and recorded in accordance with the applicable provisions of the Uniform Commercial Code as in effect in the States of California and Colorado (and, if Lessee changes its chief place of business, in any other state) in the same manner as if Lessor's interest in this Lease represented a security interest and in any other state of the United States of America or the District of Columbia where filing is necessary or reasonably requested by Lessor. This Lease and the applicable Lease Supplements will be filed by Lessor with the ICC pursuant to 49 U.S.C. Section 11303 prior to or contemporaneous with the delivery and acceptance hereunder of any Unit. Lessee will, from time to time, execute, acknowledge, deliver, file, register and record any and all instruments required by the law of any jurisdiction in which use of any Unit may occur or as reasonably requested by Lessor for the purpose of proper protection of the title of Lessor and of fully carrying out and effectuating this Lease and the intent hereof; provided, that any failure of Lessor to do any action specified in this Section 24 shall not give rise to any right in favor of Lessee nor limit, release or modify any

of Lessee's obligations, duties or liabilities hereunder in any respect.

**SECTION 25. NOTICES.** Any notice required or permitted to be given by either party hereto to the other or to any other party listed below shall be in writing, and any such notice shall be deemed to have been given when actually received at the following addresses:

(i) if to Lessor, at:

Burlington Northern Railroad Company  
3800 Continental Plaza  
777 Main Street  
Forth Worth, Texas 76102  
FAX: (817) 333-2377  
Attn: Executive Vice President - Law Department

(ii) (1) if to Lessee, at:

Southern Pacific Lines  
1515 Arapahoe, Suite 1311  
Denver, Colorado 80202  
FAX (303) 634-2661  
Attention: Director - Purchasing

(2) if to Lessee with regard to taxes, at:

Southern Pacific Transportation Company  
One Market Plaza  
Southern Pacific Building, Room 250  
San Francisco, CA 94105  
FAX (415) 541-1075  
Attn: Assistant Vice President and  
Counsel-Taxes

**SECTION 26. CONDITIONS PRECEDENT.**

(a) The obligation of Lessor to consummate the transactions contemplated by this Lease and to lease any Unit to Lessee hereunder is subject to the fulfillment to the satisfaction of, or waiver by, Lessor on or prior to the date hereof (the "Closing Date") of the following conditions precedent:

(i) Execution and Delivery of Lease Agreements. The Lease Agreements shall have been duly authorized, executed and delivered by the parties thereto in form and substance satisfactory to Lessor; an executed counterpart of each thereof shall have been delivered to Lessor; each such document shall be

in full force and effect; and no event or condition shall exist that constitutes, or which with the giving of notice or lapse of time or both would constitute, a default thereunder or a breach thereof or would give any party thereto the right to terminate any thereof.

(ii) Performance. All obligations and agreements required by this Lease to be performed by Lessee on or prior to the Closing Date shall have been performed.

(iii) Government Approvals. All actions, approvals, consents, waivers, exemptions, variances, franchises, orders, permits, authorizations, rights, licenses, registrations, filings and notices required to be taken, obtained, made or given by the parties to the Lease Agreements in respect of any governmental authority in connection with the transactions contemplated by the Lease Agreements to occur on the Closing Date shall have been duly taken, obtained, made or given, as the case may be, shall be in full force and effect on the Closing Date, shall not be subject to any pending proceedings (administrative, judicial or otherwise) and copies thereof, certified by the appropriate party, shall have been delivered to Lessor.

(iv) Security Interests; Filings. All filings and other actions shall have been made and taken, with proof thereof furnished to Lessor, in order to protect the respective rights of Lessor in the Units and in and under this Lease, including, without limitation, the following:

(1) the due filing, recording and deposit of this Lease in conformity with 49 U.S.C. § 11303 of the Interstate Commerce Act and in such other places within the United States as Lessor may reasonably request;

(2) such Uniform Commercial Code filings as Lessor may reasonably request; and

(3) any other filings and actions reasonably deemed necessary or appropriate by Lessor or as may be specified in the opinions of counsel delivered pursuant to clause (ix) hereof.

(v) Insurance. On or before the Closing Date, Lessor shall have received the insurance certificates evidencing the insurance required pursuant to Section 11 hereof in form and substance satisfactory to Lessor.

(vi) No Litigation. No action or proceeding shall have been instituted or be threatened by or before any court, arbitrator, administrative agency or other governmental authority, nor shall any order, judgment or decree have been issued or proposed to be issued by any court, arbitrator, administrative agency or other

governmental authority, at the time of the Closing Date to set aside, restrain, enjoin, prevent or substantially impair the completion of the transactions contemplated herein.

(vii) [intentionally left blank]

(viii) Bring-down Certificates. On the Closing Date, the following statements shall be true and Lessor shall have received an Officer's Certificate of Lessee, dated the Closing Date, stating that:

(1) the representations and warranties of Lessee contained in each Lease Agreement to which it is a party are true and accurate in all material respects as of the date hereof as though made on and as of such date, except to the extent that the representations and warranties relate solely to an earlier date (in which case they shall have been true and accurate as of the earlier date);

(2) no event or condition exists, or would result from the consummation of the transactions contemplated herein, which constitutes a Default or Event of Default hereunder; and

(3) each Lease Agreement to which Lessee is a party remains in full force and effect with respect to it, assuming it remains in full force and effect with respect to each other party thereto.

(ix) Opinions. Lessor shall have received favorable opinions, each in form and substance satisfactory to Lessor, dated the Closing Date, from:

(1) Kenneth E. Witt, Esq. counsel to Lessee;

(2) Alvord & Alvord, Lessor's special ICC counsel.

(x) Financial Statements. Lessor shall have received the most recent financial statements of Lessee.

(xi) No Change in Code. No amendment, modification or change shall have been proposed or made in or to the provisions of the Code or any other Federal tax statute, the Treasury Regulations, Internal Revenue Service revenue procedures, revenue rulings or other administrative publications, or any interpretation of any of the foregoing by a court which would, in Lessor's reasonable opinion adversely affect (other than in a de minimis manner) any of the Federal, state or local income tax consequences anticipated by Lessor with respect to the transactions contemplated by this Lease unless Lessee agrees in writing to make Lessor whole with respect to such amendment,

modification, change or proposal in a manner reasonably satisfactory to Lessor.

**SECTION 27. ADDITIONAL SECURITY AND COVENANTS.**

(a) Lessee will provide, or direct any manager of any Unit to provide, to Lessor at all times the pass key and other access information with respect to any register containing information relating to any Unit, including without limitation the Uniform Machine Language Equipment Register or any other register maintained by the AAR.

(b) During the Lease Term relating to any Unit, Lessee will not agree to the voluntary depreservation of the car hire rate for such Unit or establishment of any car hire rate with respect to such Unit that is lower than the current prescribed rate without the prior written consent of Lessor.

(c) So long as no Default or Event of Default shall have occurred and be continuing, car hire proceeds during the Lease Term will be for the account of Lessee.

**SECTION 28. QUIET ENJOYMENT.** So long as no Default or Event of Default shall have occurred and be continuing neither Lessor nor any person or entity acting by, through or for Lessor shall disturb Lessee's quiet enjoyment of the Units.

**SECTION 29. MISCELLANEOUS.**

(a) Severability. Any provision of this Lease which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provision hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. To the fullest extent permitted by applicable law, Lessee hereby waives any provision of law which renders any provision hereof prohibited or unenforceable in any respect.

(b) Amendment; Waiver. NO TERM OR PROVISION OF THIS LEASE MAY BE CHANGED, WAIVED, DISCHARGED OR TERMINATED ORALLY, BUT ONLY BY AN INSTRUMENT IN WRITING SIGNED BY LESSOR, AND LESSEE. No delay or failure on the part of Lessor to exercise any power or right hereunder shall operate as a waiver hereof, nor as an acquiescence in any default, nor shall any single or partial exercise of any power or right preclude any other or further exercise thereof, or the exercise of any other power or right.

After the occurrence of any Default or Event of Default, the acceptance by Lessor of any payment of rent or other amount owed pursuant hereto shall not constitute a waiver by Lessor of such Default or Event of Default, regardless of Lessor's knowledge or lack of knowledge thereof at the time of acceptance of any such payment, and shall not constitute a reinstatement of this Lease if the Lease shall have been declared in default by Lessor pursuant to Section 18 hereof or otherwise, unless Lessor shall have agreed in writing to reinstate the Lease and to waive the Default or Event of Default.

(c) Fees and Expenses. Each party shall pay its own expenses in connection with the preparation, execution and delivery of this Lease and related documents.

(d) Entire Agreement. This Lease and the agreements referred to herein contain the full, final and exclusive statement of the agreement between Lessor and Lessee relating to the lease of the Units.

(e) Agreement of Lease. This Lease shall constitute an agreement of lease and a true lease for purposes of Federal income taxes, and nothing herein shall be construed as conveying to Lessee any right, title or interest in the Units except as lessee only.

(f) Successors and Assigns. This Lease and the covenants and agreements contained herein shall be binding upon, and inure to the benefit of, Lessor and its successors and assigns and Lessee and, to the extent permitted by Section 21 hereof, its successors and assigns.

(g) Captions. The headings of the Sections and Subsections are for convenience of reference only, are not a part of this Lease and shall not be deemed to affect the meaning or construction of any of the provisions hereof.

(h) Execution in Counterparts. This Lease may be executed by the parties hereto on any number of separate counterparts, each of which, when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument. To the extent, if any, that this Lease constitutes chattel paper (as such term is defined in the Uniform Commercial Code as in effect in any applicable jurisdiction), no security interest in this Lease may be created through the transfer or possession of any counterpart other than the original executed chattel counterpart, which shall be identified as the Counterpart No. 1 in the Signature Block of Lessee on the signature page thereof.

(i) Governing Law. This Lease shall be governed by and construed in accordance with the laws of the state in which Lessor maintains its chief executive offices including all matters of construction, validity and performance.

(j) Assignment By Lessor. This Lease and Lessor's right, title and interest in and to the Units and all other Lease Agreements and all rent and all other sums due or to become due hereunder or under such Lease Agreements may be assigned in whole or in part by Lessor without the consent of Lessee, but Lessee shall be under no obligation to any assignee of Lessor except upon written notice of such assignment from Lessor; provided, that in no event will Lessor make any such assignment to any person, firm or corporation which is or is affiliated with a company which is engaged in transportation by rail as a "common carrier" other than an affiliate of Lessor; provided, further, that no assignment of the Lease Agreements shall be in derogation of Lessee's rights under Section 28 hereof. Any partial assignments by Lessor shall be to not more than a total of four (4) assignees.

(k) Submission to Jurisdiction. Lessee (i) hereby irrevocably submits to the non-exclusive jurisdiction of any state or federal court in the state in which Lessor maintains its chief executive offices for the purposes of any suit, action or other proceeding arising out of this Lease or any Lease Agreement, or the subject matter hereof or thereof, and (ii) to the extent permitted by applicable law, hereby waives, and agrees not to assert, by way of motion, as a defense, or otherwise, in any such suit, action or proceeding, any claim that it is not personally subject to the jurisdiction of the above-named courts, that its property is exempt or immune from execution, that the suit, action or proceeding is brought in an inconvenient forum, that the venue of the suit, action or proceeding is inconvenient or otherwise improper, or that any of the above-mentioned documents or the subject matter thereof may not be enforced in or by such courts. Final judgment against Lessee in any such suit shall be conclusive, and may be enforced in other jurisdictions by suit on the judgment, a certified or true copy of which shall be conclusive evidence of the fact and of the amount of any indebtedness or liability of Lessee therein described. Lessee further hereby irrevocably consents to service of process by first-class mail, postage prepaid, return receipt requested, to Lessee at its address provided in Section 25.

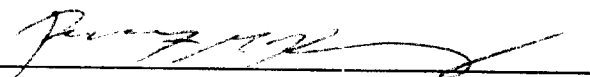


SP Lease

IN WITNESS WHEREOF, Lessor and Lessee have each caused this Lease to be duly executed all as of the date first above written, and the undersigned signatories each hereby declare pursuant to 28 U.S.C. Section 1746 under penalty of perjury that the foregoing is a true and correct document and was executed on the date indicated below its signature.

LESSOR:

BURLINGTON NORTHERN RAILROAD  
COMPANY

By: 

Title: Senior Vice President & Treasurer

Date: May 18, 1995

LESSEE:

SOUTHERN PACIFIC TRANSPORTATION  
COMPANY

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Counterpart No. \_\_\_\_\_

SP Lease

IN WITNESS WHEREOF, Lessor and Lessee have each caused this Lease to be duly executed all as of the date first above written, and the undersigned signatories each hereby declare pursuant to 28 U.S.C. Section 1746 under penalty of perjury that the foregoing is a true and correct document and was executed on the date indicated below its signature.

LESSOR:

BURLINGTON NORTHERN RAILROAD  
COMPANY

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

LESSEE:

SOUTHERN PACIFIC TRANSPORTATION  
COMPANY

By: Michael J. Carr

Title: V. P. General Manager & Material

Date: May 26, 1995

Counterpart No. 6

State of Colorado )  
 )  
 City and County of Denver )

On \_\_\_\_\_, 1995, before me, the undersigned Notary Public, personally appeared \_\_\_\_\_, personally known to me to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity on behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

\_\_\_\_\_  
 Notary Public

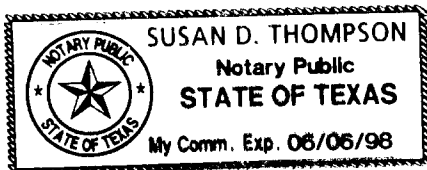
My commission expires: \_\_\_\_\_

State of Texas )  
 )  
 City and County of Tarrant )

On this 18 th day of May, 1995, before me, personally appeared Robert F. McKenney to me personally known, who being by me duly sworn, says that he is a Sr. VP & Treasurer of Burlington Northern Railroad Company, that said instrument was signed and sealed on May 18, 1995, on behalf of said corporation by authority of its Board of Directors; and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

*Susan D. Thompson*  
 Notary Public

My commission expires: \_\_\_\_\_



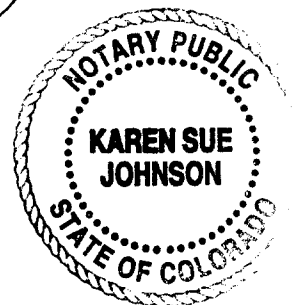
State of Colorado )  
 )  
 City and County of Denver )

On May 26, 1995, before me, the undersigned Notary Public, personally appeared Michael J. Cronin, personally known to me to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity on behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

Karen Sue Johnson  
 Notary Public

My commission expires: 10/14/98



State of Texas )  
 )  
 City and County of Tarrant )

On this \_\_\_\_\_th day of May, 1995, before me, personally appeared \_\_\_\_\_ to me personally known, who being by me duly sworn, says that he is a \_\_\_\_\_ of Burlington Northern Railroad Company, that said instrument was signed and sealed on May \_\_\_\_, 1995, on behalf of said corporation by authority of its Board of Directors; and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

\_\_\_\_\_  
 Notary Public

My commission expires: \_\_\_\_\_

## Exhibits and Schedules

Schedules:

SCHEDULE A	Equipment Schedule
	A-1 Group A Units
	A-2 Group B Units
	A-3 Group C Units (to be supplemented by Lease Supplements)
SCHEDULE B	Stipulated Loss Value

Exhibits:

EXHIBIT A	Form of Lease Supplement Schedule 1 - Units Subject to Lease Supplement
EXHIBIT B	Form of Certificate of Acceptance

SP Lease

SCHEDULE A

Equipment Schedule

Includes Schedules A-1, A-2 and A-3 Attached Hereto.

# SCHEDULE A-1

## GROUP A UNITS

OLD MARK		NEW MARK	
INITIAL	NUMBER	INITIAL	NUMBER
BN	526403	CTRN	1
BN	526414	CTRN	2
BN	526477	CTRN	3
BN	526478	CTRN	4
BN	526497	CTRN	5
BN	526515	CTRN	6
BN	526525	CTRN	7
BN	526557	CTRN	8
BN	526574	CTRN	9
BN	526579	CTRN	10
BN	526601	CTRN	11
BN	526611	CTRN	12
BN	526623	CTRN	13
BN	526653	CTRN	14
BN	526656	CTRN	15
BN	526661	CTRN	16
BN	526663	CTRN	17
BN	526670	CTRN	18
BN	526684	CTRN	19
BN	526691	CTRN	20
BN	526711	CTRN	21
BN	526733	CTRN	22
BN	526793	CTRN	23
BN	526799	CTRN	24
BN	526817	CTRN	25
BN	526868	CTRN	26
BN	526877	CTRN	27
BN	526883	CTRN	28
BN	526884	CTRN	29
BN	526890	CTRN	30
BN	526891	CTRN	31
BN	526892	CTRN	32
BN	526925	CTRN	33
BN	526946	CTRN	34
BN	526967	CTRN	35
BN	526968	CTRN	36
BN	526972	CTRN	37
BN	526986	CTRN	38
BN	527076	CTRN	39
BN	527122	CTRN	40
BN	527133	CTRN	41
BN	527156	CTRN	42
BN	527201	CTRN	43
BN	527213	CTRN	44
BN	527219	CTRN	45
BN	527259	CTRN	46
BN	527272	CTRN	47
BN	527279	CTRN	48
BN	527291	CTRN	49
BN	527301	CTRN	50
BN	527334	CTRN	51
BN	527355	CTRN	52

# SCHEDULE A-1

## GROUP A UNITS

OLD MARK		NEW MARK	
INITIAL	NUMBER	INITIAL	NUMBER
BN	527364	CTRN	53
BN	527372	CTRN	54
BN	527428	CTRN	55
BN	527439	CTRN	56
BN	527471	CTRN	57
BN	527953	CTRN	58
BN	527969	CTRN	59
BN	527984	CTRN	60
BN	527998	CTRN	61
BN	527999	CTRN	62
BN	528005	CTRN	63
BN	528018	CTRN	64
BN	528038	CTRN	65
BN	529508	CTRN	66
BN	529512	CTRN	67
BN	529514	CTRN	68
BN	529515	CTRN	69
BN	529528	CTRN	70
BN	529536	CTRN	71
BN	529539	CTRN	72
BN	529544	CTRN	73
BN	529545	CTRN	74
BN	529570	CTRN	75
BN	529573	CTRN	76
BN	529580	CTRN	77
BN	529581	CTRN	78
BN	529585	CTRN	79
BN	529593	CTRN	80
BN	526401	CTRN	81
BN	526402	CTRN	82
BN	526430	CTRN	83
BN	526436	CTRN	84
BN	526448	CTRN	85
BN	526450	CTRN	86
BN	526503	CTRN	87
BN	526518	CTRN	88
BN	526520	CTRN	89
BN	526568	CTRN	90
BN	526573	CTRN	91
BN	526581	CTRN	92
BN	526595	CTRN	93
BN	526608	CTRN	94
BN	526610	CTRN	95
BN	526617	CTRN	96
BN	526638	CTRN	97
BN	526652	CTRN	98
BN	526658	CTRN	99
BN	526673	CTRN	100
BN	526685	CTRN	101
BN	526703	CTRN	102
BN	526707	CTRN	103
BN	526725	CTRN	104



# SCHEDULE A-1

## GROUP A UNITS

OLD MARK		NEW MARK	
INITIAL	NUMBER	INITIAL	NUMBER
BN	526735	CTRN	105
BN	526740	CTRN	106
BN	526746	CTRN	107
BN	526790	CTRN	108
BN	526808	CTRN	109
BN	526811	CTRN	110
BN	526814	CTRN	111
BN	526827	CTRN	112
BN	526828	CTRN	113
BN	526835	CTRN	114
BN	526843	CTRN	115
BN	526866	CTRN	116
BN	526869	CTRN	117
BN	526871	CTRN	118
BN	526875	CTRN	119
BN	526878	CTRN	120
BN	526889	CTRN	121
BN	526907	CTRN	122
BN	526928	CTRN	123
BN	526929	CTRN	124
BN	526930	CTRN	125
BN	526934	CTRN	126
BN	526945	CTRN	127
BN	526951	CTRN	128
BN	526974	CTRN	129
BN	526977	CTRN	130
BN	526980	CTRN	131
BN	526990	CTRN	132
BN	527006	CTRN	133
BN	527050	CTRN	134
BN	527052	CTRN	135
BN	527065	CTRN	136
BN	527070	CTRN	137
BN	527084	CTRN	138
BN	527097	CTRN	139
BN	527100	CTRN	140
BN	527131	CTRN	141
BN	527160	CTRN	142
BN	527169	CTRN	143
BN	527179	CTRN	144
BN	527204	CTRN	145
BN	527210	CTRN	146
BN	527217	CTRN	147
BN	527231	CTRN	148
BN	527254	CTRN	149
BN	527304	CTRN	150
BN	527306	CTRN	151
BN	527316	CTRN	152
BN	527324	CTRN	153
BN	527327	CTRN	154
BN	527341	CTRN	155
BN	527365	CTRN	156

# SCHEDULE A-1

## GROUP A UNITS

OLD MARK	
INITIAL	NUMBER

NEW MARK	
INITIAL	NUMBER

BN	527375	CTRN	157
BN	527383	CTRN	158
BN	527389	CTRN	159
BN	527396	CTRN	160
BN	527398	CTRN	161
BN	527400	CTRN	162
BN	527427	CTRN	163
BN	527447	CTRN	164
BN	527449	CTRN	165
BN	527450	CTRN	166
BN	527457	CTRN	167
BN	527461	CTRN	168
BN	527472	CTRN	169
BN	527955	CTRN	170
BN	527968	CTRN	171
BN	527989	CTRN	172
BN	528022	CTRN	173
BN	528025	CTRN	174
BN	528033	CTRN	175
BN	528043	CTRN	176
BN	529504	CTRN	177
BN	529516	CTRN	178
BN	529517	CTRN	179
BN	529553	CTRN	180
BN	529562	CTRN	181
BN	529567	CTRN	182
BN	529589	CTRN	183
BN	526409	CTRN	184
BN	526443	CTRN	185
BN	526451	CTRN	186
BN	526468	CTRN	187
BN	526484	CTRN	188
BN	526501	CTRN	189
BN	526513	CTRN	190
BN	526516	CTRN	191
BN	526521	CTRN	192
BN	526531	CTRN	193
BN	526545	CTRN	194
BN	526551	CTRN	195
BN	526553	CTRN	196
BN	526558	CTRN	197
BN	526561	CTRN	198
BN	526575	CTRN	199
BN	526584	CTRN	200
BN	526587	CTRN	201
BN	526597	CTRN	202
BN	526613	CTRN	203
BN	526616	CTRN	204
BN	526620	CTRN	205
BN	526713	CTRN	206
BN	526715	CTRN	207
BN	526744	CTRN	208

# SCHEDULE A-1

## GROUP A UNITS

OLD MARK		NEW MARK	
INITIAL	NUMBER	INITIAL	NUMBER
BN	526761	CTRN	209
BN	526763	CTRN	210
BN	526764	CTRN	211
BN	526783	CTRN	212
BN	526818	CTRN	213
BN	526826	CTRN	214
BN	526832	CTRN	215
BN	526844	CTRN	216
BN	526855	CTRN	217
BN	526900	CTRN	218
BN	526901	CTRN	219
BN	526921	CTRN	220
BN	526922	CTRN	221
BN	526926	CTRN	222
BN	526937	CTRN	223
BN	526953	CTRN	224
BN	526973	CTRN	225
BN	526981	CTRN	226
BN	526984	CTRN	227
BN	527095	CTRN	228
BN	527102	CTRN	229
BN	527107	CTRN	230
BN	527110	CTRN	231
BN	527125	CTRN	232
BN	527144	CTRN	233
BN	527146	CTRN	234
BN	527173	CTRN	235
BN	527180	CTRN	236
BN	527194	CTRN	237
BN	527199	CTRN	238
BN	527222	CTRN	239
BN	527233	CTRN	240
BN	527285	CTRN	241
BN	527302	CTRN	242
BN	527310	CTRN	243
BN	527338	CTRN	244
BN	527340	CTRN	245
BN	527370	CTRN	246
BN	527380	CTRN	247
BN	527419	CTRN	248
BN	527429	CTRN	249
BN	527964	CTRN	250
BN	529503	CTRN	251
BN	529507	CTRN	252
BN	529534	CTRN	253
BN	529538	CTRN	254
BN	529542	CTRN	255
BN	529559	CTRN	256
BN	529566	CTRN	257
BN	529576	CTRN	258
BN	526410	CTRN	259
BN	526427	CTRN	260

# SCHEDULE A-1

## GROUP A UNITS

OLD MARK		NEW MARK	
INITIAL	NUMBER	INITIAL	NUMBER
BN	526433	CTRN	261
BN	526434	CTRN	262
BN	526437	CTRN	263
BN	526438	CTRN	264
BN	526440	CTRN	265
BN	526445	CTRN	266
BN	526455	CTRN	267
BN	526474	CTRN	268
BN	526483	CTRN	269
BN	526489	CTRN	270
BN	526495	CTRN	271
BN	526500	CTRN	272
BN	526542	CTRN	273
BN	526549	CTRN	274
BN	526565	CTRN	275
BN	526569	CTRN	276
BN	526594	CTRN	277
BN	526614	CTRN	278
BN	526624	CTRN	279
BN	526625	CTRN	280
BN	526629	CTRN	281
BN	526644	CTRN	282
BN	526646	CTRN	283
BN	526648	CTRN	284
BN	526657	CTRN	285
BN	526660	CTRN	286
BN	526693	CTRN	287
BN	526723	CTRN	288
BN	526739	CTRN	289
BN	526752	CTRN	290
BN	526753	CTRN	291
BN	526766	CTRN	292
BN	526769	CTRN	293
BN	526770	CTRN	294
BN	526780	CTRN	295
BN	526781	CTRN	296
BN	526788	CTRN	297
BN	526809	CTRN	298
BN	526815	CTRN	299
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BN	526839	CTRN	301
BN	526841	CTRN	302
BN	526860	CTRN	303
BN	526861	CTRN	304
BN	526865	CTRN	305
BN	526885	CTRN	306
BN	526887	CTRN	307
BN	526902	CTRN	308
BN	526913	CTRN	309
BN	526918	CTRN	310
BN	526923	CTRN	311
BN	526940	CTRN	312

# SCHEDULE A-1

## GROUP A UNITS

OLD MARK	
INITIAL	NUMBER

NEW MARK	
INITIAL	NUMBER

BN 526965  
 BN 526969  
 BN 526970  
 BN 526971  
 BN 526988  
 BN 526993  
 BN 526996  
 BN 527001  
 BN 527011  
 BN 527035  
 BN 527054  
 BN 527061  
 BN 527063  
 BN 527064  
 BN 527082  
 BN 527109  
 BN 527150  
 BN 527157  
 BN 527168  
 BN 527197  
 BN 527228  
 BN 527245  
 BN 527246  
 BN 527250  
 BN 527257  
 BN 527261  
 BN 527265  
 BN 527290  
 BN 527300  
 BN 527311  
 BN 527323  
 BN 527344  
 BN 527350  
 BN 527353  
 BN 527368  
 BN 527381  
 BN 527387  
 BN 527390  
 BN 527418  
 BN 527432  
 BN 527448  
 BN 527464  
 BN 527467  
 BN 527950  
 BN 527961  
 BN 527962  
 BN 527966  
 BN 527990

CTRN 313  
 CTRN 314  
 CTRN 315  
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 CTRN 353  
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 CTRN 355  
 CTRN 356  
 CTRN 357  
 CTRN 358  
 CTRN 359  
 CTRN 360

# SCHEDULE A-2

## GROUP B UNITS

OLD MARK	
INITIAL	NUMBER

NEW MARK	
INITIAL	NUMBER

BN	527995	CTRN	361
BN	528006	CTRN	362
BN	528007	CTRN	363
BN	528008	CTRN	364
BN	528012	CTRN	365
BN	528019	CTRN	366
BN	528020	CTRN	367
BN	528029	CTRN	368
BN	528046	CTRN	369
BN	528047	CTRN	370
BN	529506	CTRN	371
BN	529511	CTRN	372
BN	529525	CTRN	373
BN	529555	CTRN	374
BN	529583	CTRN	375
BN	529587	CTRN	376
BN	529591	CTRN	377
BN	527256	CTRN	378
BN	527296	CTRN	379
BN	526415	CTRN	380
BN	526419	CTRN	381
BN	526435	CTRN	382
BN	526439	CTRN	383
BN	526447	CTRN	384
BN	526470	CTRN	385
BN	526486	CTRN	386
BN	526491	CTRN	387
BN	526496	CTRN	388
BN	526502	CTRN	389
BN	526506	CTRN	390
BN	526523	CTRN	391
BN	526526	CTRN	392
BN	526582	CTRN	393
BN	526603	CTRN	394
BN	526607	CTRN	395
BN	526621	CTRN	396
BN	526627	CTRN	397
BN	526628	CTRN	398
BN	526632	CTRN	399
BN	526655	CTRN	400
BN	526679	CTRN	401
BN	526688	CTRN	402
BN	526700	CTRN	403
BN	526702	CTRN	404
BN	526704	CTRN	405
BN	526705	CTRN	406
BN	526708	CTRN	407
BN	526721	CTRN	408
BN	526724	CTRN	409
BN	526729	CTRN	410
BN	526730	CTRN	411
BN	526760	CTRN	412

# SCHEDULE A-2

## GROUP B UNITS

OLD MARK		NEW MARK	
INITIAL	NUMBER	INITIAL	NUMBER
BN	526773	CTRN	413
BN	526779	CTRN	414
BN	526787	CTRN	415
BN	526789	CTRN	416
BN	526796	CTRN	417
BN	526800	CTRN	418
BN	526803	CTRN	419
BN	526807	CTRN	420
BN	526856	CTRN	421
BN	526870	CTRN	422
BN	526873	CTRN	423
BN	526882	CTRN	424
BN	526886	CTRN	425
BN	526919	CTRN	426
BN	526920	CTRN	427
BN	526955	CTRN	428
BN	526976	CTRN	429
BN	526979	CTRN	430
BN	526983	CTRN	431
BN	526992	CTRN	432
BN	527008	CTRN	433
BN	527022	CTRN	434
BN	527036	CTRN	435
BN	527049	CTRN	436
BN	527059	CTRN	437
BN	527062	CTRN	438
BN	527072	CTRN	439
BN	527096	CTRN	440
BN	527112	CTRN	441
BN	527116	CTRN	442
BN	527121	CTRN	443
BN	527127	CTRN	444
BN	527128	CTRN	445
BN	527132	CTRN	446
BN	527161	CTRN	447
BN	527164	CTRN	448
BN	527174	CTRN	449
BN	527175	CTRN	450
BN	527192	CTRN	451
BN	527196	CTRN	452
BN	527200	CTRN	453
BN	527207	CTRN	454
BN	527234	CTRN	455
BN	527244	CTRN	456
BN	527248	CTRN	457
BN	527262	CTRN	458
BN	527269	CTRN	459
BN	527281	CTRN	460
BN	527284	CTRN	461
BN	527286	CTRN	462
BN	527288	CTRN	463
BN	527308	CTRN	464

# SCHEDULE A-2

## GROUP B UNITS

OLD MARK	
INITIAL	NUMBER

NEW MARK	
INITIAL	NUMBER

BN	527315	CTRN	465
BN	527325	CTRN	466
BN	527330	CTRN	467
BN	527337	CTRN	468
BN	527352	CTRN	469
BN	527356	CTRN	470
BN	527358	CTRN	471
BN	527361	CTRN	472
BN	527367	CTRN	473
BN	527382	CTRN	474
BN	527391	CTRN	475
BN	527395	CTRN	476
BN	527399	CTRN	477
BN	527409	CTRN	478
BN	527410	CTRN	479
BN	527412	CTRN	480
BN	527415	CTRN	481
BN	527430	CTRN	482
BN	527435	CTRN	483
BN	527442	CTRN	484
BN	527455	CTRN	485
BN	527952	CTRN	486
BN	527967	CTRN	487
BN	527981	CTRN	488
BN	527985	CTRN	489
BN	527986	CTRN	490
BN	527997	CTRN	491
BN	528000	CTRN	492
BN	528001	CTRN	493
BN	528003	CTRN	494
BN	528013	CTRN	495
BN	528028	CTRN	496
BN	528041	CTRN	497
BN	529521	CTRN	498
BN	529532	CTRN	499
BN	529537	CTRN	500
BN	529540	CTRN	501
BN	529561	CTRN	502
BN	526400	CTRN	503
BN	526418	CTRN	504
BN	526425	CTRN	505
BN	526466	CTRN	506
BN	526471	CTRN	507
BN	526485	CTRN	508
BN	526522	CTRN	509
BN	526529	CTRN	510
BN	526547	CTRN	511
BN	526577	CTRN	512
BN	526580	CTRN	513
BN	526622	CTRN	514
BN	526630	CTRN	515
BN	526637	CTRN	516



# SCHEDULE A-2

## GROUP B UNITS

OLD MARK		NEW MARK	
INITIAL	NUMBER	INITIAL	NUMBER
BN	526651	CTRN	517
BN	526659	CTRN	518
BN	526664	CTRN	519
BN	526676	CTRN	520
BN	526695	CTRN	521
BN	526699	CTRN	522
BN	526722	CTRN	523
BN	526727	CTRN	524
BN	526750	CTRN	525
BN	526754	CTRN	526
BN	526757	CTRN	527
BN	526762	CTRN	528
BN	526776	CTRN	529
BN	526812	CTRN	530
BN	526820	CTRN	531
BN	526829	CTRN	532
BN	526845	CTRN	533
BN	526854	CTRN	534
BN	526874	CTRN	535
BN	526880	CTRN	536
BN	526894	CTRN	537
BN	526895	CTRN	538
BN	526903	CTRN	539
BN	526905	CTRN	540
BN	526938	CTRN	541
BN	526943	CTRN	542
BN	526949	CTRN	543
BN	526957	CTRN	544
BN	526975	CTRN	545
BN	526987	CTRN	546
BN	526991	CTRN	547
BN	526999	CTRN	548
BN	527016	CTRN	549
BN	527027	CTRN	550
BN	527034	CTRN	551
BN	527055	CTRN	552
BN	527056	CTRN	553
BN	527058	CTRN	554
BN	527071	CTRN	555
BN	527073	CTRN	556
BN	527113	CTRN	557
BN	527124	CTRN	558
BN	527130	CTRN	559
BN	527153	CTRN	560
BN	527155	CTRN	561
BN	527158	CTRN	562
BN	527163	CTRN	563
BN	527178	CTRN	564
BN	527190	CTRN	565
BN	527212	CTRN	566
BN	527214	CTRN	567
BN	527221	CTRN	568

# SCHEDULE A-2

## GROUP B UNITS

OLD MARK		NEW MARK	
INITIAL	NUMBER	INITIAL	NUMBER
BN	527241	CTRN	569
BN	527242	CTRN	570
BN	527255	CTRN	571
BN	527263	CTRN	572
BN	527267	CTRN	573
BN	527282	CTRN	574
BN	527313	CTRN	575
BN	527320	CTRN	576
BN	527321	CTRN	577
BN	527328	CTRN	578
BN	527335	CTRN	579
BN	527348	CTRN	580
BN	527386	CTRN	581
BN	527394	CTRN	582
BN	527407	CTRN	583
BN	527414	CTRN	584
BN	527416	CTRN	585
BN	527417	CTRN	586
BN	527422	CTRN	587
BN	527433	CTRN	588
BN	527451	CTRN	589
BN	527463	CTRN	590
BN	527465	CTRN	591
BN	527470	CTRN	592
BN	527489	CTRN	593
BN	527951	CTRN	594
BN	527973	CTRN	595
BN	527977	CTRN	596
BN	527987	CTRN	597
BN	527993	CTRN	598
BN	528010	CTRN	599
BN	528011	CTRN	600
BN	528040	CTRN	601
BN	528048	CTRN	602
BN	529531	CTRN	603
BN	529551	CTRN	604
BN	529574	CTRN	605
BN	529584	CTRN	606
BN	526411	CTRN	607
BN	526412	CTRN	608
BN	526423	CTRN	609
BN	526441	CTRN	610
BN	526454	CTRN	611
BN	526509	CTRN	612
BN	526535	CTRN	613
BN	526548	CTRN	614
BN	526563	CTRN	615
BN	526567	CTRN	616
BN	526591	CTRN	617
BN	526604	CTRN	618
BN	526605	CTRN	619
BN	526619	CTRN	620

# SCHEDULE A-2

## GROUP B UNITS

OLD MARK	
INITIAL	NUMBER

NEW MARK	
INITIAL	NUMBER

BN 526631  
 BN 526636  
 BN 526666  
 BN 526669  
 BN 526714  
 BN 526743  
 BN 526747  
 BN 526786  
 BN 526806  
 BN 526819  
 BN 526836  
 BN 526847  
 BN 526848  
 BN 526867  
 BN 526888  
 BN 526897  
 BN 526914  
 BN 526927  
 BN 526947  
 BN 526964  
 BN 527019  
 BN 527029  
 BN 527048  
 BN 527089  
 BN 527092  
 BN 527135  
 BN 527139  
 BN 527170  
 BN 527182  
 BN 527215  
 BN 527235  
 BN 527283  
 BN 527297  
 BN 527346  
 BN 527369  
 BN 527378  
 BN 527388  
 BN 527405  
 BN 527426  
 BN 527437  
 BN 527444  
 BN 527454  
 BN 527498  
 BN 529535  
 BN 526424  
 BN 526426  
 BN 526559  
 BN 526633  
 BN 526643  
 BN 526692  
 BN 526694  
 BN 526698

CTRN 621  
 CTRN 622  
 CTRN 623  
 CTRN 624  
 CTRN 625  
 CTRN 626  
 CTRN 627  
 CTRN 628  
 CTRN 629  
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 CTRN 662  
 CTRN 663  
 CTRN 664  
 CTRN 665  
 CTRN 666  
 CTRN 667  
 CTRN 668  
 CTRN 669  
 CTRN 670  
 CTRN 671  
 CTRN 672

# SCHEDULE A-2

## GROUP B UNITS

OLD MARK		NEW MARK	
INITIAL	NUMBER	INITIAL	NUMBER
BN	526728	CTRN	673
BN	526772	CTRN	674
BN	526792	CTRN	675
BN	526795	CTRN	676
BN	526837	CTRN	677
BN	526851	CTRN	678
BN	526908	CTRN	679
BN	526916	CTRN	680
BN	526936	CTRN	681
BN	526962	CTRN	682
BN	526985	CTRN	683
BN	527028	CTRN	684
BN	527083	CTRN	685
BN	527114	CTRN	686
BN	527141	CTRN	687
BN	527142	CTRN	688
BN	527148	CTRN	689
BN	527171	CTRN	690
BN	527176	CTRN	691
BN	527243	CTRN	692
BN	527251	CTRN	693
BN	527371	CTRN	694
BN	527374	CTRN	695
BN	527411	CTRN	696
BN	527441	CTRN	697
BN	527965	CTRN	698
BN	527979	CTRN	699
BN	529541	CTRN	700
BN	529543	CTRN	701
BN	529588	CTRN	702
BN	529595	CTRN	703
BN	529599	CTRN	704
BN	526416	CTRN	705
BN	526420	CTRN	706
BN	526421	CTRN	707
BN	526461	CTRN	708
BN	526467	CTRN	709
BN	526469	CTRN	710
BN	526472	CTRN	711
BN	526490	CTRN	712
BN	526524	CTRN	713
BN	526541	CTRN	714
BN	526572	CTRN	715
BN	526578	CTRN	716
BN	526585	CTRN	717
BN	526602	CTRN	718
BN	526618	CTRN	719
BN	526626	CTRN	720

# SCHEDULE A-3

## GROUP C UNITS

OLD MARK		NEW MARK	
INITIAL	NUMBER	INITIAL	NUMBER
BN	526645	CTRN	721
BN	526662	CTRN	722
BN	526668	CTRN	723
BN	526671	CTRN	724
BN	526675	CTRN	725
BN	526686	CTRN	726
BN	526696	CTRN	727
BN	526706	CTRN	728
BN	526709	CTRN	729
BN	526720	CTRN	730
BN	526751	CTRN	731
BN	526765	CTRN	732
BN	526778	CTRN	733
BN	526785	CTRN	734
BN	526798	CTRN	735
BN	526805	CTRN	736
BN	526824	CTRN	737
BN	526846	CTRN	738
BN	526899	CTRN	739
BN	526906	CTRN	740
BN	526909	CTRN	741
BN	526912	CTRN	742
BN	526935	CTRN	743
BN	526956	CTRN	744
BN	526958	CTRN	745
BN	526995	CTRN	746
BN	527014	CTRN	747
BN	527018	CTRN	748
BN	527030	CTRN	749
BN	527074	CTRN	750
BN	527087	CTRN	751
BN	527088	CTRN	752
BN	527104	CTRN	753
BN	527167	CTRN	754
BN	527185	CTRN	755
BN	527189	CTRN	756
BN	527205	CTRN	757
BN	527230	CTRN	758
BN	527232	CTRN	759
BN	527236	CTRN	760
BN	527239	CTRN	761
BN	527293	CTRN	762
BN	527336	CTRN	763
BN	527339	CTRN	764
BN	527366	CTRN	765
BN	527379	CTRN	766
BN	527402	CTRN	767
BN	527436	CTRN	768
BN	527458	CTRN	769

# SCHEDULE A-3

## GROUP C UNITS

OLD MARK	
INITIAL	NUMBER

NEW MARK	
INITIAL	NUMBER

BN 527478  
 BN 527960  
 BN 527963  
 BN 527982  
 BN 527988  
 BN 528002  
 BN 528035  
 BN 528044  
 BN 528045  
 BN 529502  
 BN 529505  
 BN 529523  
 BN 529529  
 BN 529549  
 BN 529552  
 BN 529564  
 BN 529565  
 BN 529579  
 BN 526417  
 BN 526456  
 BN 526457  
 BN 526493  
 BN 526498  
 BN 526543  
 BN 526554  
 BN 526570  
 BN 526576  
 BN 526599  
 BN 526654  
 BN 526667  
 BN 526716  
 BN 526737  
 BN 526738  
 BN 526784  
 BN 526840  
 BN 526842  
 BN 526849  
 BN 526898  
 BN 527013  
 BN 527134  
 BN 527149  
 BN 527166  
 BN 527195  
 BN 527208  
 BN 527220  
 BN 527249  
 BN 527264  
 BN 527275  
 BN 527277

CTRN 770  
 CTRN 771  
 CTRN 772  
 CTRN 773  
 CTRN 774  
 CTRN 775  
 CTRN 776  
 CTRN 777  
 CTRN 778  
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 CTRN 811  
 CTRN 812  
 CTRN 813  
 CTRN 814  
 CTRN 815  
 CTRN 816  
 CTRN 817  
 CTRN 818

# SCHEDULE A-3

## GROUP C UNITS

OLD MARK		NEW MARK	
INITIAL	NUMBER	INITIAL	NUMBER
BN	527289	CTRN	819
BN	527314	CTRN	820
BN	527342	CTRN	821
BN	527462	CTRN	822
BN	527975	CTRN	823
BN	527976	CTRN	824
BN	527996	CTRN	825
BN	528017	CTRN	826
BN	528031	CTRN	827
BN	528032	CTRN	828
BN	529510	CTRN	829
BN	529513	CTRN	830
BN	529547	CTRN	831
BN	529548	CTRN	832
BN	529554	CTRN	833
BN	529568	CTRN	834
BN	529578	CTRN	835
BN	526408	CTRN	836
BN	526429	CTRN	837
BN	526442	CTRN	838
BN	526444	CTRN	839
BN	526449	CTRN	840
BN	526473	CTRN	841
BN	526476	CTRN	842
BN	526479	CTRN	843
BN	526481	CTRN	844
BN	526488	CTRN	845
BN	526492	CTRN	846
BN	526494	CTRN	847
BN	526510	CTRN	848
BN	526517	CTRN	849
BN	526540	CTRN	850
BN	526546	CTRN	851
BN	526555	CTRN	852
BN	526556	CTRN	853
BN	526589	CTRN	854
BN	526635	CTRN	855
BN	526672	CTRN	856
BN	526697	CTRN	857
BN	526717	CTRN	858
BN	526755	CTRN	859
BN	526756	CTRN	860
BN	526794	CTRN	861
BN	526797	CTRN	862
BN	526813	CTRN	863
BN	526833	CTRN	864
BN	526834	CTRN	865
BN	526858	CTRN	866
BN	526879	CTRN	867

# SCHEDULE A-3

## GROUP C UNITS

OLD MARK	
INITIAL	NUMBER

NEW MARK	
INITIAL	NUMBER

BN 526915  
 BN 526939  
 BN 526941  
 BN 526954  
 BN 526959  
 BN 526961  
 BN 526982  
 BN 527004  
 BN 527024  
 BN 527046  
 BN 527051  
 BN 527057  
 BN 527091  
 BN 527093  
 BN 527108  
 BN 527118  
 BN 527119  
 BN 527123  
 BN 527145  
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 BN 527318  
 BN 527332  
 BN 527397  
 BN 527438  
 BN 527456  
 BN 527468  
 BN 527957  
 BN 528015  
 BN 528037  
 BN 528049  
 BN 529501  
 BN 529509  
 BN 529520  
 BN 529546

CTRN 868  
 CTRN 869  
 CTRN 870  
 CTRN 871  
 CTRN 872  
 CTRN 873  
 CTRN 874  
 CTRN 875  
 CTRN 876  
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 CTRN 910  
 CTRN 911  
 CTRN 912  
 CTRN 913  
 CTRN 914  
 CTRN 915  
 CTRN 916



## SCHEDULE A-3

### GROUP C UNITS

OLD MARK		NEW MARK	
INITIAL	NUMBER	INITIAL	NUMBER
BN	529592	CTRN	917
BN	526606	CTRN	918
BN	526650	CTRN	919
BN	526680	CTRN	920
BN	526732	CTRN	921
BN	526997	CTRN	922
BN	527080	CTRN	923
BN	527094	CTRN	924
BN	527101	CTRN	925
BN	527138	CTRN	926
BN	527184	CTRN	927
BN	527187	CTRN	928
BN	527193	CTRN	929
BN	527445	CTRN	930
BN	527991	CTRN	931
BN	528030	CTRN	932
BN	526458	CTRN	933
BN	526511	CTRN	934
BN	526564	CTRN	935
BN	526712	CTRN	936
BN	526850	CTRN	937
BN	526758	CTRN	937
BN	526876	CTRN	939
BN	526942	CTRN	940
BN	526950	CTRN	941
BN	526952	CTRN	942
BN	527111	CTRN	943
BN	527216	CTRN	944
BN	527466	CTRN	945
BN	527959	CTRN	946
BN	528036	CTRN	947
BN	529560	CTRN	948
BN	526464	CTRN	949

REMAINDER OF GROUP C UNITS  
ARE SET FORTH IN THE LEASE SUPPLEMENTS

SCHEDULE B  
Stipulated Loss Value

As to any Unit:

Until End of Month in Which

Base Term Commencement Date Occurs: \$25,000.00

	<u>Value</u>	<u>Value</u>	<u>Value</u>
*First Day of Month:			
1	\$24,897.18	41	\$19,897.83
2	24,793.40	42	19,747.63
3	24,688.66	43	19,596.03
4	24,582.95	44	19,443.02
5	24,476.26	45	19,288.59
6	24,368.57	46	19,132.73
7	24,259.89	47	18,975.41
8	24,150.19	48	18,816.64
9	24,039.48	49	18,656.40
10	23,927.74	50	18,494.66
11	23,814.96	51	18,331.42
12	23,701.13	52	18,166.67
13	23,586.25	53	18,000.39
14	23,470.30	54	17,832.58
15	23,353.27	55	17,663.17
16	23,235.16	56	17,492.22
17	23,115.95	57	17,319.67
18	22,995.63	58	17,145.52
19	22,874.19	59	16,969.75
20	22,751.63	60	16,792.35
21	22,627.93	61	16,613.31
22	22,503.08	62	16,432.60
23	22,377.07	63	16,250.21
24	22,249.89	64	16,066.13
25	22,121.52	65	15,880.34
26	21,991.97	66	15,692.82
27	21,861.21	67	15,503.58
28	21,729.24	68	15,312.55
29	21,596.05	69	15,119.76
30	21,461.61	70	14,925.18
31	21,325.93	71	14,728.79
32	21,188.99	72	14,530.58
33	21,050.77	73	14,330.53
34	20,911.28	74	14,128.62
35	20,770.48	75	13,924.83
36	20,628.38	76	13,719.15
37	20,484.96	77	13,511.56
38	20,340.21	78	13,302.05
39	20,194.11	79	13,090.59
40	20,046.66	80	12,877.16
		81	\$12,661.75
		82	12,444.35
		83	12,224.92
		84	12,003.45
		85	11,779.93
		86	11,554.33
		87	11,326.64
		88	11,096.83
		89	10,864.89
		90	10,630.80
		91	10,394.53
		92	10,156.06
		93	9,915.38
		94	9,672.47
		95	9,427.30
		96	9,179.85
		97	8,930.11
		98	8,678.04
		99	8,423.64
		100	8,166.87
		101	7,907.71
		102	7,646.15
		103	7,382.17
		104	7,115.72
		105	6,846.81
		106	6,575.40
		107	6,301.46
		108	6,024.99
		109	5,745.94
		110	5,464.31
		111	5,180.05
		112	4,893.16
		113	4,603.60
		114	4,311.36
		115	4,016.40
		116	3,718.70
		117	3,418.24
		118	3,114.98
		119	2,808.91
		120	2,500.00

\*Months in this Schedule B refer to the successive months following in chronological order the month in which the Final Commencement Date occurs.

EXHIBIT A

LEASE SUPPLEMENT

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TO THE EXTENT, IF ANY, THAT THIS LEASE SUPPLEMENT CONSTITUTES CHATTEL PAPER (AS SUCH TERM IS DEFINED IN THE UNIFORM COMMERCIAL CODE AS IN EFFECT IN ANY APPLICABLE JURISDICTION), NO SECURITY INTEREST IN THIS SUPPLEMENT AND ACCEPTANCE CERTIFICATE MAY BE CREATED THROUGH THE TRANSFER OR POSSESSION OF ANY COUNTERPART OTHER THAN THE ORIGINAL EXECUTED CHATTEL COUNTERPART, WHICH SHALL BE IDENTIFIED AS THE COUNTERPART NO. 1 IN THE SIGNATURE BLOCK OF LESSEE ON THE SIGNATURE PAGE THEREOF.

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THIS LEASE SUPPLEMENT ("Supplement") is executed and delivered by BURLINGTON NORTHERN RAILROAD COMPANY (together with its successors and assigns, "Lessor"), and SOUTHERN PACIFIC TRANSPORTATION COMPANY (together with its successors and permitted assigns, "Lessee") pursuant to and in accordance with the Railcar Lease Agreement dated as of May 28, 1995 between Lessor and Lessee (the "Lease", the defined terms therein being used herein with their defined meanings).

1. The Units covered by this Supplement are described in Schedule 1 attached hereto and, pursuant to the provisions of Section 3 of the Lease, are hereby delivered under, leased from Lessor under, and in all other respects subject to the Lease.

2. Lessee confirms that:

(a) the Units covered hereby have been inspected by Lessee, have been delivered to Lessee in good working order and condition, and are of the size, design, capacity, prior use, condition and manufacture selected by Lessee; and

(b) Lessee irrevocably accepts said Units "AS-IS, WHERE IS" for all purposes of the Lease as of the date set forth below.

3. All of the terms and provisions of the Lease are hereby incorporated by reference in this Supplement to the same extent as if fully set forth herein.

SP Lease

IN WITNESS WHEREOF, Lessee has caused this Lease Supplement to be duly executed by its duly authorized officer as of the Commencement Date set forth above.

LESSEE:

SOUTHERN PACIFIC  
TRANSPORTATION COMPANY

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_  
Counterpart No.: \_\_\_\_\_

ACCEPTED AND AGREED TO AS OF  
THE DATE SET FORTH ABOVE

LESSOR:

BURLINGTON NORTHERN RAILROAD  
COMPANY

By: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_



## EXHIBIT B

CERTIFICATE OF ACCEPTANCE

The undersigned, a duly authorized representative of Southern Pacific Transportation Company (the "Lessee") does hereby certify that, on the date set out below, he has accepted, with respect to the time and place of delivery, on behalf of Lessee the following described Units (as defined in the Railcar Lease Agreement dated as of May 28, 1995 between Burlington Northern Railroad Company and Southern Pacific Transportation Company).

Equipment <u>Description</u>	No. of <u>Units</u>	Unit <u>Number</u>	Date <u>Accepted</u>	<u>Location</u>
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\_\_\_\_\_  
Authorized Representative of  
Southern Pacific Transportation  
Company

Dated: \_\_\_\_\_, 19\_\_\_\_